

Significant factors contributing to organization innovativeness, and the role of stakeholder communication in building an innovative corporate brand: A case study of a Finnish packaging company

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Abstract

Disruptive innovation is one of the world's mega trends, making it even more important for organizations to be considered innovative nowadays. The extent to which an organization is considered innovative by stakeholders is named as organization innovativeness. Organization innovativeness has been studied from the cultural aspect and customer perceived aspect, with the latter being less focused. In addition to that, organization innovativeness is closely related to branding management. Existing literature has suggested that it is essential to comprehend the importance of different innovativeness' factors and how to incorporate innovativeness with corporate brand management. In more details, the role of stakeholder communication in attaching and closing the distance between innovativeness and corporate branding concepts have been theoretically emphasized, yet it has not studied in alignment with the two mentioned theories coherently.

Based on the literature recommendations, this study aims to enrich the knowledge of organization innovativeness by exploring the significant factors, both from internal and external stakeholders, that contribute to how the organization can be seen more innovative. This study also discovers the role of communication in the process of building and maintaining the organization's innovative image, and in relations to corporate branding. To achieve the study's objectives, literature on cultural and customer aspects of innovativeness, corporate branding, and stakeholder communication are deliberated to construct the study's theoretical framework, which connects all together. The theoretical framework suggests that there are two group of factor affecting to the growth of innovativeness, and that the factors are positively enhanced by stakeholder communication.

The empirical research is a qualitative explorative case study. The case company is a Finnish company in packaging industry. Semi-structured interviews were conducted with 15 respondents inside and outside the company and the data was analyzed following the process of qualitative content method. The finding confirms a set significant factors of organization innovativeness, explores the relationship between the factors, and reveals how internal and external stakeholders understand and translate the factors into practice. Organization innovativeness is stemmed within the organization. By obtaining a culture that values innovation, the organization can build an innovative corporate brand. The research also affirms that integrated communication is important to establish a culture that embraces innovations.

This study brings existing literature together to draw a clearer picture of organization innovativeness and its content, Furthermore, it contributes to the knowledge of innovativeness by discovering the relationship between stakeholder communication, corporate branding and organization innovativeness. It indicates that innovation management requires multidisciplinary efforts, mutual understanding on the goals at different levels, and management's encouragement for a flexible environment to flourish creative ideas.

Keywords organization innovativeness, corporate branding, stakeholder communication

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1 INTRODUCTION

Fast-paced changes in global business environment have led to more competitive situations for organizations and requested them to be more innovative, since the ability to create new and valuable breakthroughs provide unique competent advantages. When an organization is perceived as innovative, it unlocks incredible opportunities and enhances the brand image in the eyes of stakeholders. Without innovations, offerings become commoditize and thus, the organization loses its competitiveness (Moore, 2008). Another reason for the increasing attention to innovation management is the widespread development of computer-related technology (Rogers, 1995). Therefore, arguably, the importance of being perceived as an innovative organization can be viewed as *“the lifeblood of corporate survival and growth”* (Zahra & Covin, 1994).

In recent years, studies about the spectrum of innovation management has been rising. One of the publication categories about innovation management revolves around the question of what is an innovative organization, has it been the definitions of innovation types or the measurement of the spread of new things (Goldsmith & Foxall, 2003; Garcia & Calantone, 2001). Among these studies, Ruvio, Shoham, Vigoda-Gadot, & Schwabsky (2014) have argued that the number of innovations that the organization can produce over an estimated amount of time can determine how innovative the organization is. Besides this factor, existing researches, for example, from Ruvio et al. (2014), Kamaruddeen, Yusof and Said (2010), and Hurley and Hult (1998), have suggested that there are more factors contributing to the organization's innovative level. Moreover, the innovative degree of an organization has been called organization innovativeness, or organization's innovative capability, so as to separate it from the general term “Innovation” (Kamaruddeen et al., 2010). Organization innovativeness is understood as the degree of innovative an organization is perceived, considered, or evaluated by its stakeholders, and the perception is affected by various factors (Ruvio et al., 2014).

Organization innovativeness has been studied from two angles, from the organization's culture angle and then, from the customer angle. On a general level, the first angle explores the factors rooted from the organization's culture, such as the influence of leader's encouragement in enhancing the innovative capability (Hurley & Hult, 1998). The latter angle speculates on factors that are more familiar to external stakeholders for an innovative

organization. The customer-perceived factors would circulate more on the originality and relevance of new products, or the perceived creativity (Ruvio et al., 2014; Kunz, Schmitt & Meyer, 2011). Existing studies about innovativeness have focused on exploring what factors that affect organization innovativeness, either of the organization's culture or of customer's perception. For instance, the role of leader is an important factor to encourage the growth of organization's innovativeness (Hurley & Hult, 1998; Rogers, 1995).

In addition to identify various elements of innovativeness, existing researches have suggested that it is important to further understand how factor of the organization's culture and external climate determine the organization's innovative degree (Slater & Naver, 1995). In specific, Ruvio et al. (2014) recommend to explore the relationship between various factors of organization innovativeness for a better understanding about the correlation between innovativeness' factors and openness and creativity. On the customer's perspective, since customer-perceived innovativeness is a subjective matter, it is essential to investigate what are the factors affecting customer's perception about innovativeness (Kunz et al., 2011). Therefore, either from the cultural angle or customer angle, there is room to elucidate the dynamics of innovativeness' factors and how they harmonize with each other to manage innovation process.

In relation to organization innovativeness factors, another topic to investigate is the process by which innovativeness is communicated internally and externally among and between stakeholders (Kunz et al., 2011; Rogers, 1995; Slater & Naver, 1995). The concept of innovation has been growing from manufacturing or production point of view to be a part of the organization's brand (Hatch & Schultz, 2003). Continuous and prolonged innovative capability is a vital aspect to not only sustain the strength of the corporate brand (Gehani, 2016), but also to bring the innovative elements to the corporate brand. Moreover, Hatch and Schultz (2003) have specified that stakeholder communication lies at the heart of a strong corporate brand, helping to engage stakeholders and deliver the brand's values. Altogether, it can be assumed that organization innovativeness and corporate branding connect to each other, and since communication is an inseparable part of corporate branding, it has become an

Nonetheless, it is difficult to communicate innovativeness content to stakeholders because it involves factors from both inside and outside the company, as well as from the perspectives of both internal and external stakeholders (Cornelissen, 2014; Mantere, 2014; Kunz et al.,

2011). Since communication is the process to share information with each other to achieve a mutual understanding (Rogers, 1995), the concerning issue is that language differs from one organization to another, and from one group of people to another group (Mantere, 2014). Specifically, the same word means differently when perceived by different people or in dissimilar situations. For instance, internal stakeholders may understand being flexible and adaptive differently than external stakeholders. Therefore, the role of communication in affecting the perceived innovativeness is the area that should have more research attention.

Drawing from existing research's outcomes, there are two issues this study will tackle. First, it aims to explore what are the significant factors contributing to the organization innovativeness, and how they connect to each other. The outcome when a company is considered innovative is the improvement of corporate performance, competitive advantage and customer satisfaction (Hurley & Hult, 1998). Experts also emphasize an important linkage between innovations and a successful brand, by which state that when a company actively works on innovation management, it establishes an image of a more innovative company in the eyes of stakeholders (Nedergaard & Gyrð-Jones, 2013; Kaplan, 2009). In other words, by gaining more understanding about innovativeness' factors, organizations do not only improve their innovative capability but also strengthen their brand image and reputation. Then second, the study explores the role of communication in managing the dynamic of innovativeness' factors by exploring internal and external stakeholders' perspectives, as well as in coordinating the harmony between innovativeness and corporate brand. This aspect has not been studied thoroughly in existing studies, suggesting possibly interesting findings to contribute to innovation management field. In summary, this study's finding hopes to reveal more in-depth understanding on various dimensions of organization innovativeness' factors and adjoins the connection between organization innovativeness, corporate branding, and stakeholder communication.

To achieve the above purposes, literature on innovativeness as part of the organization's culture and as part of customer's perception will be covered. In addition to that, corporate branding and stakeholder communication literature will be discussed to expose the close relationship between organization innovativeness and corporate branding. Altogether, these concepts help to form theoretical framework, which is the backbone of the empirical research. Since organization innovativeness consists of cultural aspect and customer-perceived aspect, it is essential to know stakeholder's opinions on both aspects. Therefore,

a qualitative approach is suitable to this study. In more detail, it is a case study with a company in the packaging industry. All in all, the findings enrich the knowledge of innovation management as suggested by other authors. Furthermore, it highlights the connection between organization innovativeness, stakeholder communication and corporate branding, showcasing how each element supports and enhances each other to achieve the strategic vision in the eyes of stakeholders.

1.1 Objectives and research questions

There are two objectives for this study. The first objective is to identify and understand significant factors of organization innovativeness. The second objective is to explore the contribution of stakeholder communication in building an innovative corporate brand. The expected outcome does not only provide the cultural and customer-perceived factors but also accommodate the meanings of these factors from the perception of two stakeholder groups – internal stakeholders and external stakeholders. In addition to that, this study expects to explore the role of stakeholder communication in enhancing the performance of these factors in organizations, as well as in building the innovative corporate brand.

Considering the objectives and the expected outcomes, proposed research questions are as followed:

1. What are significant factors contributing to organization innovativeness, from the perspective of external and internal stakeholders?
2. How can stakeholder communication support the building of an innovative corporate brand?

1.2 Thesis structure

The thesis contains six chapters. The first chapter (Chapter 1) is the introduction that discusses the need to conduct a research on innovativeness topic, as well as the objectives and research questions. Chapter 2 reviews relevant literature, and then follows up with the formation of theoretical framework. Afterwards, Chapter 3 discusses about the empirical research's methodology, and the analysis results are unfolded in Chapter 4. In chapter 5, the discussion integrates the results to answer the research questions, as well as to provide some suggestions. Finally, Chapter 6 summarizes key points, reflects some limitations and proposes further research potentiality.

2 LITERATURE REVIEW

This chapter will review two literature themes. First, existing literature on innovativeness with the aspect of organization culture and customer's perspective will be reviewed. Then, corporate brand and stakeholder communication literature will be deliberated to highlight the connection between corporate branding and innovativeness. Altogether, the literature helps to construct the theoretical framework, which is introduced and presented at the end of this chapter.

2.1 The relation between innovation and innovativeness

Innovation and innovativeness is frequently used interchangeably in many contexts, the question that is it so, or is there a difference between two phrases (Kamaruddeen et al., 2010). As a matter of fact, previous researches has already distinguished innovation from innovativeness, and the difference is worth to notice within the scope of this study (Kunz et al., 2011; Kamaruddeen et al., 2010; Garcia & Calantone, 2001). In order to understand the relation between innovation and innovativeness, it is essential to understand the basis of each concept, which is presented in the following sub-sections.

2.1.1 Innovation definition

Chronologically, innovation is more attached to the invention of new products that had not existed before. In the 1990s, the concept of innovation was understood as the application of new ideas, regardless of whether the ideas relate to the products, processes, services, or management practices (Gibbons, Scott & Nowotny, 2003). For instance, Dodgson and Bessant (1996) discussed that innovations are the implemented changes in production and processes when companies want to build technological competence. Similarly, de Ven, Polley, Garud, and Venkataramanm (1999) identified innovation as any idea that is perceived as new to involved people can be considered an innovation. Moving on to the 2000s, the understanding of innovation has been viewed with a more extended and opened manner since it has been nearly impossible to find an industry that is not engaged in continuous development and improvements, due to the dynamic nature and tough competition in every industry (Gault, 2005). Specifically, Rogers (2003) proposed that innovation is an idea, practice, or project that is perceived as new by an individual, presumably one belongs to the company's stakeholder groups. Nevertheless, innovation has

been attached with the introduction of new products, processes, or business systems Knowles et al. (2008).

Since then, the understanding of innovation has not changed drastically, which means innovation has been attached very closely to the concepts of novelty and newness. Additionally, innovations are aligned with technological level and the maturity stage of the company (Moore, 2008). Overall, innovation is understood as the implementation of technological developments to create something new or significantly improve the current offerings (products, services, processes, business systems, etc.) (Kamaruddeen et al., 2010). In other words, innovation is perceived as the outcome of an of an invention, or an improvement, of current offerings by researching and applying technological developments. Consequently, innovation in this study is understood as a concept that is closely related to an actual result of a product, service, process, or technology development.

2.1.2 Innovativeness definition

Unlike innovation, the perception of innovativeness can be approached at least from three angles: technology-related angle, product-related angle and behavior-related angle (Kamaruddeen et al., 2010; Kitchell, 1995; Foxall, 1984). First, Kitchell (1995) attaches innovativeness with the ability to adopt new technologies. From this point of view, organization innovativeness represents the willingness to transform in terms of technology of a company. Second, innovativeness reflects the capacity to create new products or services, understood as the product-related angle of innovativeness (Kamaruddeen et al. 2010; Foxall, 1984). Third, innovativeness is related to the degree to which an organization and/or individuals within the organization being opened to adopt new ideas (Hurley & Hult, 1998).

While innovation can be evaluated by the degree of newness, innovativeness is evaluated by the willingness to adopt newness and depart from existing, and possibly, new practices. Thus, it is affected by organizational characteristics (Kunz et al., 2011). The concept of innovativeness refers to the capability to incorporate behaviors of people inside and outside the organization (Wang & Ahmed, 2004; Crawford & Di Benedetto, 2003). Behaviors in this case speaks about innovative related behaviors that may or may not exist in a company, such as being active to search for new opportunities or appreciate cross-communication (Wang & Ahmed, 2004). As such, innovativeness is connected to the process of adapting

and improving innovative capability over the time. It is arguable to say that innovativeness represents organization's innovative capability (Kunz et al., 2011).

Lumpkin and Dess (1996) are among researchers who define innovativeness from the social behavioral approach. They characterize innovativeness as the company's tendency to engage in and support new ideas that can result in innovations (Lumpkin & Dess, 1996). More precisely, Hurley and Hult (1998) define innovativeness as an aspect of the company's culture that is presented out by individuals' behaviors. In relation to this study, since it tries to capture stakeholders' opinions on innovativeness, it strongly links to the behavior angle, in which studies what are the elements affect the company's tendency to adopt innovations, and furthermore, a strategy that values innovative thinking and behaviors. Therefore, in the following parts about organization innovativeness, literature from this angle will be discussed.

2.1.3 Innovation as a predecessor to innovativeness

From the brief overview of literature about innovation and innovativeness, the differences between innovation and innovativeness could be summarized in three points. First, innovation is understood widely as the implementation of new ideas to create or improve the products, services and technological processes. Innovativeness, on the other hand is the propensity to adopt newness that may result in an innovation. Then, innovation refers to actual outcomes or results while innovativeness highlights the process of improving the company's innovative competence (Ruvio et al., 2014). Expectedly, the result of such process is an innovation. Therefore, we can understand innovation is a driver to innovativeness.

Second, a successful outcome of an innovation would likely lead to an improvement in the innovative capability of a company. If there has been no innovation happening, the notion of innovativeness will not be established. On the other hand, innovativeness is illustrated through the prolonged tendency to adopt and implement new ideas which may result in innovations. Previous researches propose that innovation is a predecessor to innovativeness (e.g. Kamaruddeen et al., 2010; Attewell, 2002; Rogers, 1995). In more detail, the number of innovation and the time organization adopted innovations compared to other players in the market are two elements of innovation that causally affect the innovative degree of the organization (Attewell, 2002). The relation between innovation and innovativeness, as well

as the outcome of organizational innovativeness is summarized in the below figure (*Figure 1*).

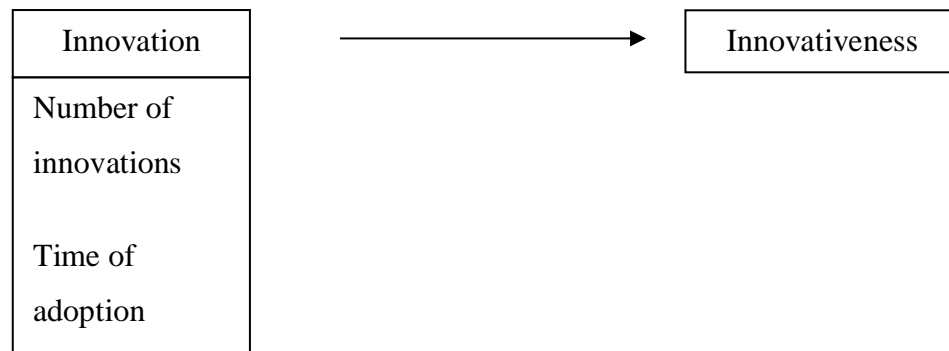


Figure 1. The relation between innovation and innovativeness (Attewell, 2002)

Finally, beside innovation, other behavioral factors raised inside and outside the company also affect how a company performs its innovativeness (Ruvio et al., 2014; Rogers, 1995). It means that innovation, expressing through the number of solutions offered by the company and how early the innovation is adopted, shall not be the sole predecessor to innovativeness. Instead, there are other factors under the coverage of organization's culture and customer-opinioned characteristics. Inherently, the organization innovative degree depends on whether such company practices and communicates relevant factors to responsive stakeholders. A more thorough review on innovativeness as a part of the company's culture and as part of customers' perception is discussed in the following section.

2.2 Organization innovativeness (Innovative capability)

As conversed above, innovativeness can be equally understood as the capability of the organization to be innovative. The literature (for e.g. from Ruvio et al., 2014; Kunz et al., 2011) agrees that innovativeness is associated more with the capability to be innovative than with actual outcomes of an innovation. The following part of the literature review chapter elucidates innovativeness' factors from two viewpoints: the organization cultural factors (inside the company) and the customer-perceived factors (outside the company).

2.2.1 Innovativeness as a part of organization's culture

The notion of innovativeness as a part of the organization's culture has been studied more intensive than as the customer perception. Rogers (1995) states that innovativeness is an indication of behavioral change happening in the organization when the culture changes.

Similarly, Hurley and Hult (1998) regard innovativeness as the company's willingness to open to new ideas and the degree it is encouraged and embedded to the company's culture. Since culture is built from various elements, the question is what elements of organization's culture associate more with innovativeness. Previous studies have highlighted explicit cultural factors, of which among them there are three theories that are reviewed here.

The first study to be reviewed is the "Five dimensions of Organizations", developed by Ruvio et al. (2014). Five dimensions are: Creativity, Openness, Future orientation, Risk-taking, and Proactiveness (Ruvio et al., 2014). "Creativity" refers to the idea's newness and novelty, breaking down into more specific elements such as the product design, how early the ideas have been adopted. Then, "Openness" signifies the adaptability and flexibility of an organization to new ideas (Ruvio et al., 2014; Amabile, 1997). The openness also reflects the management's eagerness to recognize the need for new ideas and to act on this recognition. Moreover, it is also individuals' openness to search for opportunities, as well as to learn and develop (Ruvio et al., 2014).

"Future orientation" discusses about the organization's preparedness for future changes (Ruvio et al., 2014; Ford, 2002). This dimension is about the role and vision of the leaders since they would make decisions that looking towards the future rather than relying on past experiences. Moreover, it also touches the notion of safety in implementing new ideas, especially from collaborative projects. "Risk-taking" dimension also connects to organizational management leadership like future orientation dimension. It refers to possible gains or losses resulting from an action (Ruvio et al., 2014). Then, "Proactiveness" is the degree of being active and willing to pursue business opportunities, regardless of its relevant level to the firm's core business (Morgan & Strong, 2003; Lumpkin & Dess, 1996). The summary of Ruvio et al. (2014) "Five dimensions of Organizations" is illustrated in *Figure 2* below.

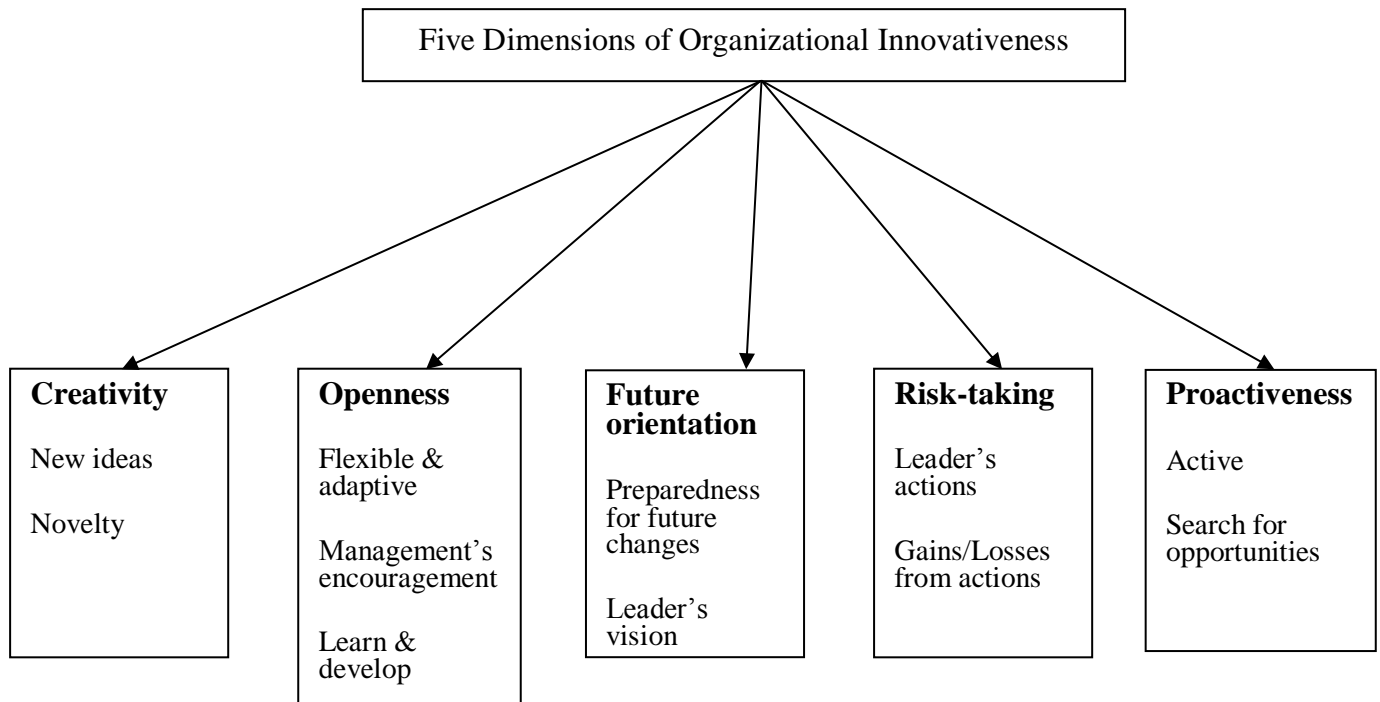


Figure 2. Five dimensions of organizational innovativeness (Ruvio et al., 2014)

The second study is from Hurley and Hult. Their research (1998) indicates that the higher level of innovativeness in the organization's culture, the greater capacity the organization to create more innovations (Hurley & Hult, 1998). Hurley and Hult (1998) specify these cultural characteristics that place an impact in organization innovativeness, which are Market focus, Learning and development, Status differentials, Participative decision making, Support and collaboration, Power sharing, Communication, and Tolerance for conflict and risk. In more details, the authors explicate that both "Participative decision making" and "Learning and Development" are related to organization innovativeness, although the strength of the relationship is greater for the latter one. Then, "Support and Collaboration" and "Power sharing" are less critical to innovativeness compared to "Participative decision making" and "Learning and Development" (Hurley & Hult, 1998).

Their study emphasizes the importance of cultural factors in shaping an innovative culture, which directs people's belief about innovation, and consequently, improves innovation outcomes. As innovation belief associates with the organization members' behaviors, such variables as "Learning and development" and "Participative decision making" are critical to innovativeness (Hurley & Hult 1998). Other characteristics that Hurley and Hult (1998)

consider important to organization innovativeness are the market focus, difference in status and power in the organization, and the willingness to take risks from individuals of the organization. The list of characteristics studied by Hurley and Hult (1998) is illustrated in *Figure 3*. Each factor alone affects the level of innovativeness, yet the authors also mention that there is a need to study more about the importance of each characteristic, and how they integrate with each other to positively enhance the organization innovativeness.

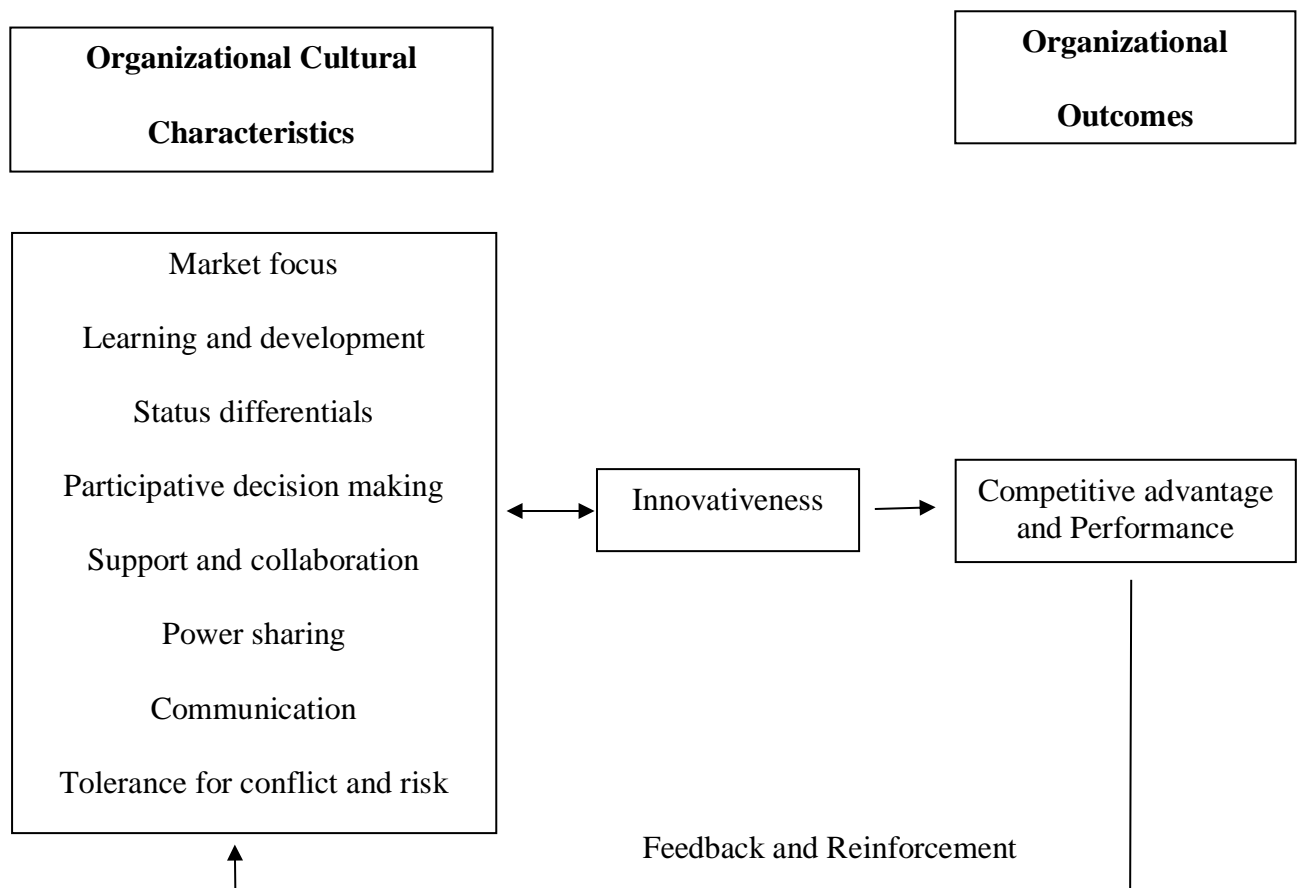


Figure 3. Organizational cultural characteristics in relation to innovativeness (Hurley & Hult, 1998)

The last study of organization's cultural factors to be reviewed is from Rogers' study (1995), in which he discusses about diffusions of innovation, or the communication flows of innovation. Part of his work points out variables that trigger and improve the company's innovative level. According to Rogers (1995), innovativeness is born from within the organization, therefore, innovativeness' variables also represent aspects of organization's culture. However, Rogers (1995) also considers the external characteristics as one group of variables that affects organization's innovativeness. The three variable groups are illustrated in *Figure 4*.

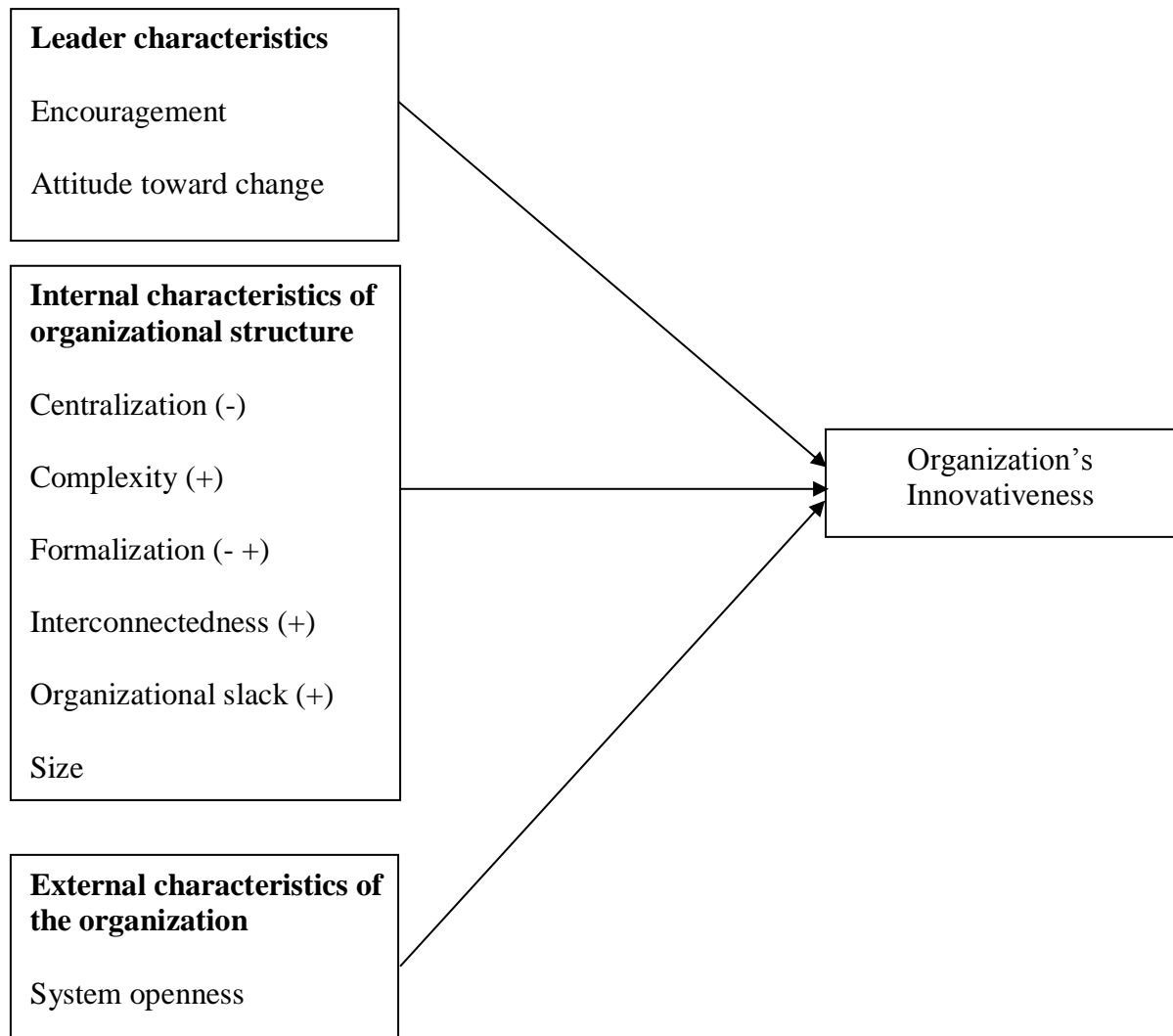


Figure 4. Variables to organizational innovativeness (Rogers, 1995)

As shown in the figure, the role of leaders in encouraging changes in the organization deserves a separate group of variables, suggesting the significance of leaders in innovation management. It depends on the personality of the leaders, yet leaders generally decide the organization's centralization and formalization structure, as well as the company's openness towards change (Rogers, 1995). Also, it is the leader's attitude towards change that determines the degree of risk-taking the organization, or the organization's members, will enact (Rogers, 1995). On the other end of the list is the "System Openness" – the degree to which organization members are connected to each other and to external people outside the organization (Rogers, 1995). "System openness" describes how well the company involves external stakeholders in the innovation process.

In the middle of the figure are internal characteristics of organizational structure, which comprise six factors: Centralization, Complexity, Formalization, Interconnectedness, Organizational slack, and Size (Rogers, 1995). Specifically, “Centralization” is the degree to which power and control in the company are concentrated in the hands of few individuals. It is expressed that the more concentrated the power is, the less innovative the organizations can be because very possibly, the range of new ideas is restricted when a few top leaders dominate the innovation process (Rogers, 1995). “Complexity” explicitly connects to individuals’ knowledge and expertise. It is suggested that the more diverse individuals’ occupational range, the more innovative ideas can be achieved. Yet, it may be difficult to achieve consensus when implementing ideas (Rogers, 1995).

Then, “Formalization” variable indicates the emphasis of internal rules and procedures. This factor performs both positive and negative influence to organization innovativeness. If formal procedure is multiplied, it inhibits individuals’ innovativeness as they are discouraged by the long process to propose and implement ideas. In contrast, “Formalization” is positive when it can control the relevance of ideas, thus encourages the implementation of innovations (Rogers, 1995). The next variable is the “Interconnectedness”, which associates to interpersonal networks. This factor can be translated that within the organization, if the link between members is strong and supportive, new ideas can flow more easily. It also represents the support and collaboration between people in the organization (Rogers, 1995).

Finally, “Organizational slack” discusses about uncommitted resources that are available to an organization. It can be understood as unique advantages of the organization, which potentially contributes to suitable innovation projects (Rogers, 1995). Logically, the more unique advantages the company acquire, the more innovative they should become. Organization’s size is discussed by Rogers (1995) as a separate characteristic, nonetheless, since organization’s size is attached to the structure, in this study it is put in the second group together with other mentioned variables. Rogers (1995) argues that the organization size does not directly connect with organization’s innovativeness.

In summary, three selected publications (Ruvio et al., 2014; Hurley & Hult, 1998; Rogers, 1995) have discussed profoundly about the relation between organization culture and innovativeness. To a certain extent, some factors, or the content of the factors, repeat and append to each other. For example, “Tolerance for risk-taking” has been highlighted by all

the authors, with Ruvio et al. (2014) and Hurley and Hult (1998) directly connect “Tolerance of risk-taking” with the role of leaders, or “Leader’s encouragement” and “Leader’s attitude towards change”. Rationally, it suggests the importance of leaders in shaping the company’s innovative culture and encouraging people in the organization to search for new opportunities and continue to learn and develop. In other words, it is the leaders who frame the path toward innovation and implement new behaviors that benefit for the creation of new innovations. The table below (*Table 1*) gathers and summarizes cultural-related factors that have been explained from three previous studies from Ruvio et al. (2014), Hurley and Hult (1998) and Rogers (1995).

Table 1. Organization’s cultural factors contributing to innovativeness

| Authors | Publication year | Mentioning factors |
|---------------|------------------|--|
| Ruvio et al. | 2014 | <ul style="list-style-type: none"> • Creative ideas • Flexible & adaptive • Product design • Search for opportunities • Earliness in adopting new ideas • Learning & development • Leader’s encouragement • Preparedness for future • Safety in implementing new ideas • Members’ view towards new ideas |
| Hurley & Hult | 1998 | <ul style="list-style-type: none"> • Organization’s size • Support & collaboration • Low formalization • Market focus • Employees’ diversity & specialization • Involve with customers |
| Rogers | 1995 | <ul style="list-style-type: none"> • Tolerance for risk-taking • Cross-communication |

- Status differentials
- Participative decision making

2.2.2 Innovativeness as a perception of customers

The cultural view of organization innovativeness remains the dominant research aspect. On the other hand, an organization's innovativeness is strongly associated with the customer's opinions (Kunz et al., 2011). At the end of the day, all efforts are meant to continuously improve customer's perception about the company being an innovative entity (Kaplan, 2009). It means that it is the customers who ultimately decide on the success of an innovation. So, it is worth to understand the customer-centric perspective on organization's innovativeness (Kunz et al., 2011). However, customer's perception about how innovative a company from the literature has not been studied exclusively, not to mention the field of innovativeness is also quite new, according to Kunz et al. (2011).

One possible explanation for this could be that innovativeness as a part of customer's perception is a subjective concept (Daneels & Kleinschmidt, 2001). Customers obtain the company's innovative degree based on information, knowledge and experience they have with the company (Kunz et al., 2011). It means that they observe certain characteristics and changes to evaluate the organization's innovativeness. What kind of factors they observe and pick out as innovative factors remain an open question despite repeated calls to have more understanding from experts (Kunz et al., 2011; Daneels & Kleinschmidt, 2001). Some authors, for example, Kunz et al. (2011), Kaplan (2009) and Crawford and Di Benedetto (2003), have cracked the questions and provides some insights on what could be the factors define customer perception for an innovative company.

For instance, Kaplan (2009) studies about the influence of product design on innovativeness. Another study by Kunz et al. (2011) explore how new product launches affect perceived innovativeness, suggesting that the number of new product introduction is a customer-perceived factor. This finding is similar to Ruvio et al. (2014)'s study, in which they speculate that the number of innovations produced and introduced to customers over a certain period of time is a factor contributing to the perceived evaluation of organization innovativeness. Nevertheless, unlike focus and detailed works of cultural factors, customer-

perceived factors researches are accumulated in a way that each study suggests only some factors affecting the innovative capability of the organization. Therefore, the review for this part gathers information from different sources instead of presents separate studies like in the previous part.

First, Kunz et al. (2011) emphasize the notion of “Newness” and “Creativity” as central aspects of customer-perceived innovativeness. The notion of newness, or novelty, has been acknowledged as an important aspect of innovativeness (Crawford & Di Benedetto, 2003). According to Kunz et al. (2011), “Newness” means the degree of new product offerings, as well as being dynamic and future-oriented. However, introducing new things alone does not make a company becomes innovative in the eyes of customers. In addition to that, it is the “Creativity” that can stimulate and excite customers in viewing a company as an innovative one (Kunz et al., 2011). When destructing the meaning of “Creativity” from the customers’ point of view, Kunz et al. (2011) explains that it contains these elements: “Out-of-the-box thinking”, “Progressive” and “Risk-taking”.

Besides, Moldova, Goldenberg and Chattopadhyay (2011) dispute that “Product originality” and “Usefulness” are two dimensions leading to the success of new products. Moreover, “Word-of-mouth” is argued to also have a role in supporting new product success, meaning it enhances the “Product Originality” and “Usefulness” (Moldova et al., 2011). Original and useful products spread more positive word-of-mouth to and among customers, and conversely, less useful products increase more negative words. The authors further emphasize that the degree of originality and usefulness depend on the way customers perceive it, and eventually leading to positive words or negative words (Moldova et al., 2011). Therefore, “Positive word-of-mouth” is the expected outcome from successfully offer useful products. In more details, Vogt (2013) expresses that the degree of usefulness is determined by how easy and comfortable to use the new products, as well as the relevance of innovative solutions. Drawing from the connection, it is reasonable to argue that the “Usefulness of new offerings”, “Product originality” and “Word-of-mouth” are factors adjusting customer’s propensity about the organization innovativeness.

Furthermore, some other customer-perceived factors of organization innovativeness are: advertise and communicate, repeated exposure of the new offerings, awareness of innovation, price differentiation and worthiness, market impact and prior knowledge in the field (Vogt, 2013; Kunz et al., 2011). Nevertheless, these factors are only mentioned, yet

analyzed and studied, by either authors, supporting the fact that customer-perceived innovativeness has not been received much attention. Then, another study by Laursen & Salter (2006) emphasizes the ability to exploit external knowledge as a critical element for innovative companies. Furthermore, it suggests that searching opportunities widely and deeply relate to innovative performance, and the act is usually named “Open innovation”. Also, openness to external actors allow organizations to draw in ideas from outsiders, ideas that internal people may miss due to being engaged too deep and too long in the working process (Laursen & Salter, 2006). Finally, Nedegaard and Gyrð-Jones (2013) propose that organizations invent innovative-perceived image by building a proactive and market-oriented culture alongside with focusing on innovation investment. As such, together with other factors discussed above, research and development (R&D) expense is also necessary.

All in all, based on existing literature of innovativeness as a customer perception, the contributing factors are gathered in the below table (*Table 2*). The next part of the literature review will focus on corporate brand and how it connects to organization’s innovativeness by the help of stakeholder communication. Similar to the previous table, *Table 2* is color-coded, and can be read from left to right and top to down. The green boxes demonstrate factors that have been covered by Vogt (2013) and Kunz et al. (2011). The yellow boxes are factors that are mentioned by other authors, such as Nedegaard & Gyrð-Jones (2013), Moldova et al. (2011), and Laursen & Salter (2006).

Table 2. Customer-perceived factors contributing to innovativeness

| Authors | Publication year | Mentioning factors |
|------------------------|------------------|---|
| Nedegaard & Gyrð-Jones | 2013 | <ul style="list-style-type: none"> • Spending on innovations |
| Vogt | 2013 | <ul style="list-style-type: none"> • Advertise & communicate innovations • Price differentiation & worthiness • Market impact through an innovation • Repeated exposure • Easy & comfortable to use new products |

| | | |
|------------------|------|---|
| Kunz et al. | 2011 | <ul style="list-style-type: none"> • Number of innovation adopted • Prior knowledge in the field • Out-of-the-box mindset • New offerings introduction • Dynamic • Awareness of innovations |
| Moldova et al. | 2011 | <ul style="list-style-type: none"> • Relevance of the innovation • Positive word-of-mouth • Originality of the ideas • Participative decision making |
| Laursen & Salter | 2003 | <ul style="list-style-type: none"> • Open innovation |

2.3 Corporate branding and stakeholder communication

Brand is an intangible asset to leverage corporate image, reputation and awareness of stakeholders (Urde, 1999). A brand can be thought of as a sign to acquire and communicate meanings a company wants to send out to the world (Urde, 2013). It identifies goods and services the company provides in order to distinguish itself from the competitors (Aaker, 1991). In the era when companies can no longer have a stable preferential product range, differentiation does not only lie on products but also the image of the company at the strategic level. Therefore, brand management content has broadened from product branding to corporate branding, which concentrates also on organization's culture and stakeholders (Hatch & Schultz, 2003; Webster, 1992).

In detail, corporate branding entails various concepts such as identity, reputation and communication (Brexendorf & Kernstock, 2009). In relation to this study, the concept of corporate branding is selected as it could be a strategic resource in driving organization innovativeness. The correlation between innovative capability and corporate brand is scrutinized in the following parts, starting with the discussion about corporate branding framework and the role of communication in strengthening the brand image.

2.3.1 Corporate branding model

The highest level of brand hierarchy is corporate brand, which deals with the company's image than the products it sells to customers and consumers (Hatch, Schultz & Larsen, 2000). With the growth of stakeholder's power and the fast-paced change of media exposure, organizations need to have consistency in brand image, vision, and culture for all audiences, making product brands and company brand blend into each other to some extent. Therefore, the tradition of branding management has gradually shifted the focus towards corporate branding (Hatch et al., 2000). While product branding mainly focus on target consumers or customers, corporate brand takes care of the images formed and held by organizational members, meaning all stakeholders including investors, partners, suppliers and other interested groups (Hatch et al., 2000).

Corporate brand attracts and orients relevant constituents towards the expected image and values that differentiate the company (Brexendorf & Kernstock, 2009). It is the focal point of attention and reference for stakeholders. Together with the recognition of how the company brand is different from others, important stakeholders must feel a sense of belonging to the brand (Hatch & Schultz, 2003). A strong corporate brand does not only offer and announce to stakeholders the brand's uniqueness but also makes them acknowledge and appreciate information that are communicated to them. More than that, a strong corporate brand encourages relevant audiences to implement the values into practical actions (Hatch & Schultz, 2003; Hatch & Schultz, 2001). It means that a successful corporate brand is the result of internal and external stakeholders' integration in building and acknowledging the image that a company wants to build up and maintain (Hatch & Schultz, 2003).

As such, building a strong corporate brand is complicated since it comprises internal and external members of the organization. When the corporate brand is dominantly visible and recognizable, the perspectives of different stakeholders are glued and aligned together, further providing trust and expertise that is earned and nurtured through systemic branding activities (Brexendorf & Kernstock, 2009). Therefore, it is important to know the elements of corporate branding. Hatch and Schultz (2003) deliberate that there are three basic elements forming the foundation of corporate brand, which are strategic vision, organizational culture and corporate images. Hatch & Schultz (2003) discuss that corporate brand is a bridge between external environments perceived by customers and internal

meanings formed within the organization's culture. The bridge is concreted when vision, culture and image are aligned (Muzellec & Lambkin, 2009).

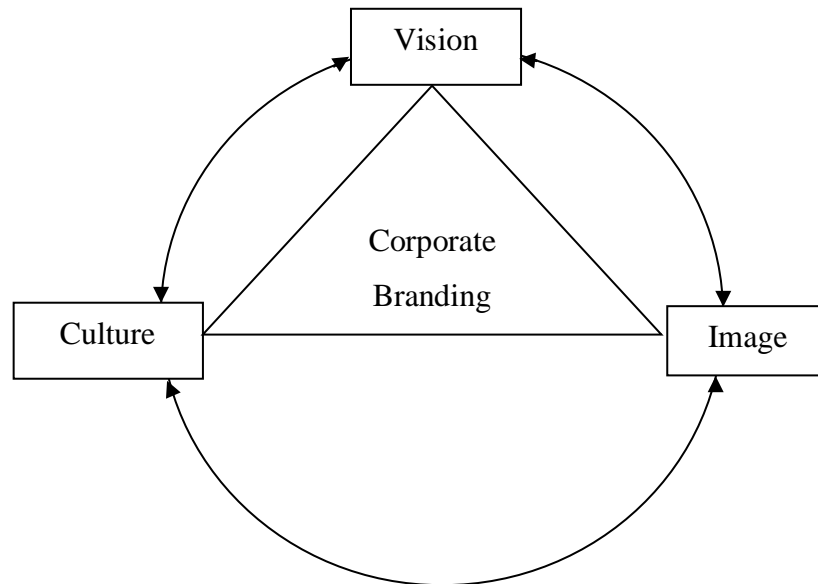


Figure 5. Corporate Branding Framework (Hatch & Schultz, 2003)

Specifically, strategic vision is about the management's aspiration about what the company will achieve in the future. Strategic vision represents the viewpoint of corporate management about the organization's future. Then, organization's culture discusses about values, beliefs and operational activities inside the company that embody the tradition and characteristics and how they are communicated to organization's members. The cultural characteristics are earned, practiced and normalized by members of the organization. Finally, corporate image concerns about how the organization is viewed by the outside world, including customers, shareholders, public media and so on (Hatch & Schultz, 2003). Ideally, these three elements should not be separated from each other, instead, they are interconnected and the synergy strengthens the brand. In contrast, the gap between these elements reduces the value of the brand, and thus weaken the strength of corporate identity (Muzellec & Lambkin, 2009; Hatch & Schultz, 2003).

In relation to organization innovativeness, the role of the corporate brand is a resource in orienting innovative-perceived image. Nedergaard & Gyrd-Jones (2013) and Kaplan (2009) emphasize the important linkage between innovation and successful brand. The authors

dispute that a strong corporate brand enhances the company's innovative capability, and vice versa, when the company approaches and applies innovative solutions, it establishes a more-innovative brand image (Nedergaard & Gyrd-Jones, 2013; Kaplan, 2009). This correlation is supported if the communication between stakeholders and organizations is enhanced so that a consistent mutual understanding can be achieved (Gregory, 2007). Hatch and Schultz (2003) also highlight the involvement of stakeholders in the process of building and maintaining corporate brand. The authors argue that the communication among and between stakeholders lies at the heart of a strong corporate brand (Hatch & Schultz, 2003). A shared understanding about meanings and values is required to create an interactive relationship between the organization and external stakeholders (Duncan & Moriarty, 1998). Inherently, since corporate branding interrelates to innovativeness, stakeholder communication therefore relates and supports the organization's innovative capability. What Hatch and Schultz (2001) do not discuss in their framework is the mechanism of internal and external stakeholder communication, which has been studied Gregory (2007). The next sub-section will relay more about stakeholder communication in corporate branding.

2.3.2 Stakeholder communication in corporate branding

Freeman (1984) is one of the first authors articulated the importance of stakeholders to the organization. He defines a stakeholder as: *"Any group or individual who can affect or is affected by the achievement of the organization's objectives"* (Freeman, 1984, p.46). His stakeholder theory suggests that the relationship between stakeholders and organizations determines the degree to which companies have a better chance to confront and deal with potential issues quickly and effectively enough (Freeman, 1984). In other words, stakeholder relation positively correlates with the organization's capability to solve critical issues. Therefore, stakeholders could be understood as partners who can and are willing to involve with organizations to achieve the organization's objectives. It can be concluded that the role of stakeholders in developing corporate brand is influential and thus, it is important to understand how to communicate and engage stakeholders.

In order to identify how various stakeholders involve in corporate branding, it is reasonable to articulate the process of building and re-building the corporate brand, a research by Gregory (2007). He argues that building a corporate brand is an emergent process, which means that it is a spiral of interactions aiming to adhere top management's vision closer to stakeholders' perception and expectation from the company. As Gregory (2007) suggests,

the branding journey (illustrated in *Figure 6*) initiates with the core values, which are identified by the leaders' vision. Internal stakeholders enact to these values. Then, the values are enunciated to external stakeholders through various communication channels. Once the values are exposed, both internal and external stakeholders are expected to engage in reflecting whether the values truly speak what the organization does and what it stands for. This one small circle provides knowledge about the brand for all stakeholders (Gregory, 2007).

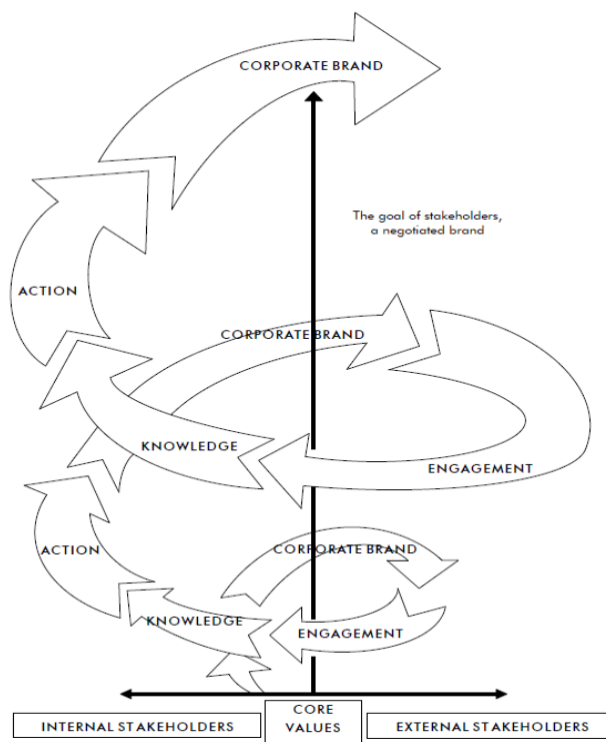


Figure 6. Corporate brand's spiral interaction (Gregory, 2007)

The refining course provides an informed knowledge base on how external stakeholders perceive the organization, and sheds light on what actions, such as adjustments to strategy, should be taken internally. The actions are presented by various communication channels again, creating an evolved perception from external stakeholders and encouraging them to engage more (Gregory, 2007). Gregory (2007) considers that communication is the backbone of the spiral interactions because it showcases the understanding on opposing position and recognizing potential gaps between stakeholders and organization, which thereby mitigate the possibility of conflict or misunderstanding in perceiving corporate brand's value. As shown in the figure, both external and internal stakeholders are responsible

in creating and maintaining the corporate brand. The whole process is evolving and continuous, deliberating that corporate brand is not a fixated image that is planned or intended by management but rather a continuous journey (Gregory, 2007).

Even though the brand is constantly developed, it is enduring because the values are based on the consistency of perception and action over time. Internal stakeholders engage when core values are identified, and external stakeholders' involvement could be seen more clearly in the stages where the values are understood and accepted by internal actors (Gregory, 2007). When communicating corporate brand values to internal and external stakeholders, one concern is that what internal stakeholders perceive as core values are not coherently understood by external stakeholders. As suggested by Mantere (2014), organization strategy can be conceived as language games. A language game regards to a shared language that is used and followed by members of a community; therefore, the organization strategy is the collection of language games, of which each language game is a shared language within a group of people (Mantere, 2014). The concept of language here can be understood as spoken and written language that embed to organizational context and narrative (Fenton & Langley, 2011). Connectedly, organizational language attaches to the strategy or elements of strategy in the organization (Mantere, 2014). The language is connected with other languages shared by different groups of people, both inside and outside the organization, forming a complex network of languages (Mantere, 2014).

In other words, when the same word or phrase is mentioned, it can have different meanings in various ways from one person to another, or from one group to another group, suggesting the possible misunderstanding between different actors when communicating the same strategic topic. Consequently, to adapt Gregory's model (2007) into practice, the communication strategy should be a two-way symmetrical means of communication between the organization and its internal and external stakeholders (Cornelissen, 2014). The types of communication channels range from reports, adverts, to conferences and face-to-face discussions, of which face-to-face communication is the richest medium as it allows immediate reactions and adjustments, at the same time is the most difficult communication medium to be practiced successfully (Cornelissen, 2014).

In relation to organization innovativeness, it has been revealed that a strong corporate brand improves the company's innovative capability, and vice versa, when the company is strong at its innovative capability, the brand image is reinforced (Nedergaard & Gyrd-Jones, 2013;

Kaplan, 2009; Hatch & Schultz, 2003). The outcome when the corporate brand is considered as innovative by stakeholders is the improvement in corporate performance, competitive advantage and customer satisfaction (Hurley & Hult, 1998). As a consequence, organization innovativeness' factors and corporate branding have a strong connection to each other, and together, they could be considered foundational characteristics an innovative corporate brand (Hatch & Schultz, 2003). Furthermore, since stakeholder communication is the backbone of building the corporate brand, the role of communication is also definite throughout the process of establishing and developing the corporate brand that brings in innovative elements.

The relationship between corporate branding and innovativeness is supported if stakeholder communication is planned and accelerated on-point for both internal stakeholders and external stakeholders, as suggested by Gregory (2007) with his spiral interaction model and by Cornelissen (2014) with the diversity in communication means. All in all, stakeholder communication is the glue to attach corporate brand and innovativeness together. The relationship between innovativeness, corporate branding, and stakeholder communication can be summarized in *Figure 7*.

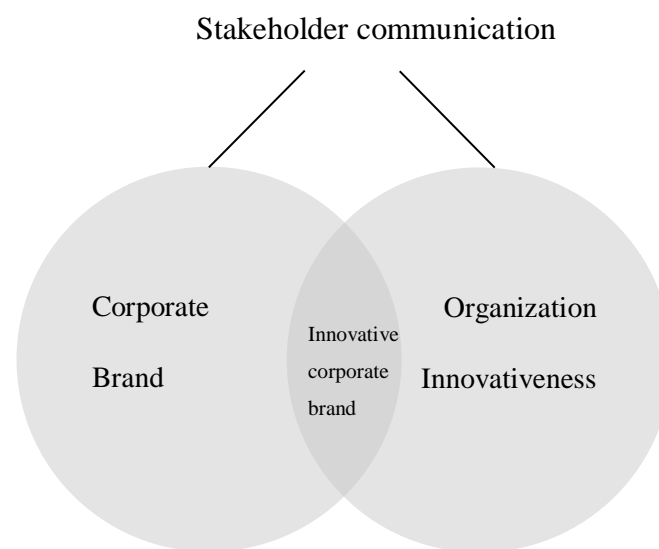


Figure 7. The relation between corporate brand and organizational innovativeness

2.4 Theoretical framework

Following the literature review on innovativeness' factors, corporate branding and stakeholder communication, a theoretical framework has been created. The theoretical framework connects all the theoretical themes discussed above.

Corporate brand, according to Hatch and Schultz (2003), is a combination between three pillars – corporate image, strategic vision, and organizational culture, and is harmonized between external and internal stakeholders. Then, the concept of organization innovativeness emphasizes factors that raised inside the company and factors that are perceived outside the company (Ruvio et al., 2014; Kunz et al., 2011; Hurley & Hult, 1998; Rogers, 1995). Suggestively, the perception of internal stakeholders about cultural factors and customer-perceived factors may be different than external stakeholders' perception, since they take the stance from the company's point of view. Vice-versa, the perception of external stakeholders about the factors may bring some surprises to internal stakeholders as external stakeholders think from an outsider's point of view. All in all, the communication among and between stakeholders can mitigate the possibility of conflicts or misunderstandings (Gregory, 2007).

Considered all the literature reviewed in this chapter, the theoretical framework has the innovative corporate brand as the central point. Innovative corporate brand is produced from both the concept of organization innovativeness and corporate branding. It attaches the two concepts together to describe the implicit purpose for organizations to adopt and invest in innovations, which is to earn and yield the image of being an innovative organization in the eyes of stakeholders. While organization innovativeness help to determine the degree to which the organization brand is perceived as innovative, corporate branding crystalizes the communication strategy regarding innovativeness based on the three key areas: culture, image, and vision.

In more detail, the degree of innovative is evaluated by internal and external stakeholders based on two groups of factors, cultural factors and customer-perceived factors. Lastly, stakeholder communication steers both groups of factors, helping to translating, making sense and acknowledging the factors. Furthermore, communication is a mediator between corporate branding and organization innovativeness. It enhances the performance of the significant factors of innovativeness, and at the same time, makes sense and provides rich information for the process of corporate branding. When the innovative brand is prominent,

it increases customer satisfaction, competitive advantage and performance. The theoretical framework is illustrated in *Figure 8*.

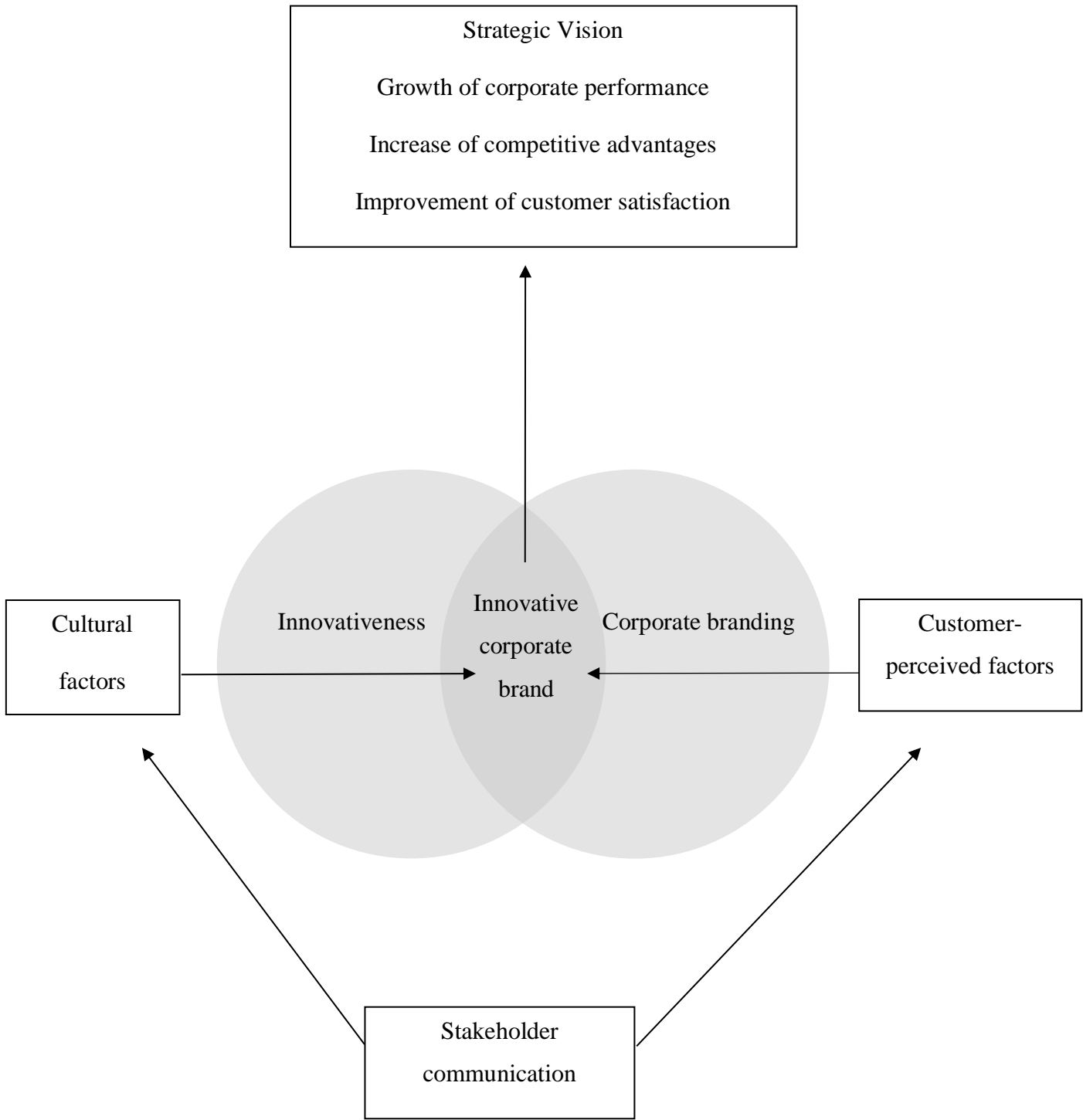


Figure 8. Theoretical framework

3 RESEARCH DESIGN AND METHODS

In this chapter, I explain the empirical research process that was chosen for the study. I will first discuss the research design, then describe the data collection and data analysis methods. Finally, trustworthiness of the research will be reviewed. The case company is shortly described in the research design part.

As elaborated in theoretical chapter, previous studies have identified different factors impacting organization's innovative capability (for eg. Ruvio et al., 2014; Kenz et al., 2011; Hurley & Hult, 1998; Rogers, 1995). There have been predetermined and existing theories in this subject, therefore, it is suitable to adopt deductive thinking for the empirical research (Berg, 2001; Catanzaro, 1988; Polit & Beck, 2006). Moreover, descriptive and explorative data are indeed necessary for this study, thus qualitative method is the most suitable research method. Within the umbrella of qualitative methods, I choose case study for this thesis since it helps to translate the research purposes into practice within a defined context (Yin, 2004). More than that, case study as a research strategy has been applied in situations where mature companies are facing changes (Tripsas & Gavetti, 2000), which fits with the situation of the studied company.

3.1 Case study as the research strategy

To fit with the natural setting of the empirical research to work with a company while conducting this study, I chose qualitative research method because it aims to pursue meaning rather than purely generalization by attempts to enhance the theory by studying different aspects of the phenomenon (Soundararajan & Brown, 2016). Qualitative method fits with the purpose to explore and understand the aspects and elements of organization innovativeness, as well as the relationship between it and other concepts, such as communication and corporate branding. Then, it is also natural to choose case study to be the research strategy because I was working with the case company to do this study. To ensure the trustworthiness of this study, I have followed recommendations on how to conduct a case study by Yin (2003, 2004). Case study is a qualitative research method to get a close understanding of a phenomenon by collecting data in natural settings than to relying on derived data from other sources or institutions (Yin, 2004). One of the conditions to carry out case study research strategy is to have either descriptive questions, such as "What", or exploratory questions, such as "How" and "Why" (Yin, 2003).

According to Yin (2003), there are three types of case study research: descriptive case study, exploratory case study, and explanatory case study (Yin, 2003). Another division of case study is defined by Merriam (1988), of which the author identifies three types of case study research as: descriptive, interpretive, and evaluative case study. Apparently, Yin's categorization (2003) and Merriam's categorization (1998) aligns with each other. First, descriptive case study provides detail description of the studied phenomenon, topic, or area (Laws & McLeod, 2018). Then, if the research questions focus on "What" and possibly "How" question, the study is justified for an exploratory case study (Yin, 2003), or interpretive study from Merriam (1998)'s categorization. This strategy is advantageous when the research purpose is to explore the situation with some predictions about certain outcomes, as well as to describe prevalence of the studied phenomenon (Yin, 2003). Moreover, exploratory studies leave out the conclusive causal relationship and the theory building purposes (Yin, 2004). Finally, explanatory case study serves for the "How" and "Why" research questions and it deals with studies that observe the links of variables over time, rather than at one incidence (Yin, 2003). This is equal to evaluative case study of Merriam (1998), in which "thick description is necessary and potentially leads to building theory (Merriam, 1998).

Considering the consistency between the nature of case study method and the purposes of this study, I decided that this research is going to be exploratory, even though one of the research questions is the "How" question, which could be justifiable for explanatory case study as well. It is because organization innovativeness as a topic has not been studying a lot, not to mention the close relationship between it and stakeholder communication. Thus, there are not so many proven causal relationships to test. Also, exploratory case study is suitable with the situation of the study's case company. The case company a global company in packaging industry, so it faces the pressure to obtain more knowledge on how to be innovative and how to be perceived as innovative (Personal Communication, December 2017). Therefore, the initial step is to understand what contributes to the company's innovativeness and how to bring relevant factors into practice, making the "What" question important to be answered. In addition to that, within the scope of this study, it was not quite possible to conduct a study that needs to trace the connections over time, which is the design setting of explanatory case study. All in all, exploratory case study would fit most with the company situation, the research questions and purposes.

Then, researchers should adopt either a single or multiple case design depending on what the research aims to explore, describe, or explain. Single case study focuses on one setting, which helps to yield in-depth exploration of the phenomenon, while multiple case study has a higher ability to find the patterns, whether it is a causal relationship, similarity, or contrast (Yin, 2004). With this study, I was conducting it during a specific amount of time for a company, therefore I chose single case study. More specifically, considering the natural setting of this study, exploratory study is a good fit. The case company was trying to explore the perspective and understanding about innovativeness of its employees and customers as it did not have a constructive knowledge about the company's situation in relation to innovative thinking, as well as the vision on how it can improve the innovative image. As a result, a single exploratory case study is a good choice for this research. The choice of research strategy provides grounded recommendations for data collection method, as exposed below.

3.2 The case company

The empirical research centralizes on packaging industry with a case company operating in packaging industry and providing packaging materials. The company headquarter is in Finland. It operates globally in European and Middle East market (EMEA), Asia Pacific market (APAC), and Americas market. Among these operating regions, EMEA is the biggest market; meanwhile, the growth in the Americas and APAC has been strong. The company has offices and factories in operating markets. Mainly, it works business-to-business (B2B) customers, who are, if not restricted are converters, merchants and brand-owners (Personal Communication, December 1, 2017). The relationship with end-consumers, or end-users, has been one focus aspect of the company as it aims to be the premium supplier who understands customers' needs and opportunities. From here onwards, the case company will be called the Company, or the Case, interchangeably.

Packaging industry is closely connected with the forest industry, which is one of the oldest industries in the world and so is in Finland. As such, to remain competitive in key markets, companies need to invest heavily in research and development to keep pace with the competitors (Hovgaard, Hansen & Roos, 2005). Packaging companies face the pressure to be innovative and at the same time, perform efficiently with mass-production lines. On a similar note, the case company has been having similar dilemma. There is an urge inside the company to enhance the innovative image. However, as the business has been relying on production efficiency which requires repetitive practices and high feasibility, it is

unknown how employees and customers understand what is the company's innovativeness, and how they want to be communicated about innovativeness.

Therefore, it is important to understand what are the factors contributing to organization innovativeness. Based on this knowledge, the Case company can apply relevant factors that fit with its culture and strive for a more innovative image. By exploring the perspectives of internal and external stakeholders about organization's innovativeness, the company will be able to detect possible gaps between two groups. The outcome of this study would help the case company to have an outlook on how stakeholders value innovative as an important feature for the company's brand, and what to communicate with stakeholders on the topic of innovativeness.

3.3 Data Collection

In this study, respondent interview is the source for empirical data. Semi-structured interviews are appropriate to answer "What" and "How" questions (Eriksson & Kovalainen, 2011), which fit well with the research questions. Interviews unfold people's experience and perspective through the stories they tell, or explanations they give. Moreover, interviews gather, compare, validate, or comment on information obtained from different sources, for instance from academic works (Lindlof & Taylor, 2011). In more details, among the qualitative interview types, respondent interview's aims and settings fit to this study. Respondent interview seeks the opinion and clarifies the meanings of opinions to determine the elements of an expressed opinion. Regarding the interviewees, respondent interviews are conducted to find out how people conceptualize and express their view on a certain topic. As such, respondents speak only for themselves rather than observations and opinions about the surroundings around them (Lindlof & Taylor, 2011). Both the aims and the way respondent interviews are conducted align with the purposes and the case study's setting, further emphasizing the coherence between data collection method and this research.

Based on the nature of respondent interview, the interviews are semi-structured to dive in for clarity and interpretive depth (Lindlof & Taylor, 2011). Semi-structured interview is applied to extract perspectives, opinions and, at times feelings that can be useful for the research from respondents (Saunders, Lewis & Thornhill, 2012). It means each interview is the presentation of the respondent's opinion, as well as the meanings of that opinion. Therefore, the role of interviewer is important (Lindlof & Taylor, 2011). The interviewer is

responsible for designing the questions, guiding the scope of social discourses to be relevant for the topic and context of the case, and maintaining the setting of how the interview is done (Moisander & Valtonen, 2006). In addition to that, interview questions need to be designed carefully (Lindlof & Taylor, 2011). Interview questions for respondent interviews should support the researcher's observations, and are designed to examine for clarity and greater interpretation of respondents' opinions. In addition to that, the questions should not be too leading, at the same time, they should not be too vague and scattered (Lindlof & Taylor, 2011).

The interviews for this study were carried out in two phases. In the first phase, I conducted interviews with the company's employees. In total, there were 9 interviews I made with top managers. Then, in the second phase, I made the interviews with customers, whose names were suggested from people in the company. There were 6 interviews with the customers. The interview number was less than the first phase due to time restriction and difficulty in reaching customers to interview. The questions were the same for two groups of interviewees. In addition to interview questions, the respondents were asked to do two small tasks. I provided them small cards that have the factor names (from Table 1 and Table 2) on it and asked them to arrange the factor cards in order from 1 to 5, with 1 is the rank for least important factors and 5 is the rank for most important factors. First, they arranged the cultural factors, then they arranged customer-perceived factors. I further asked the respondents to explain their choice of rankings. Details on how I chose the samples is explained in the following part.

3.3.1 Sampling strategy

The study applies two types of purposeful sampling techniques. Purposeful sampling focuses on selection of information-rich cases whose are capable to illuminate the questions under study (Patton, 2002). For the first phase of the study, I chose typical case sampling. Typical sampling is used to illustrate the social discourses of individuals in a group, then to compare the findings with other sample groups. The samples are selected in cooperation with key informants who can help identify potential interviewees (Patton, 2002). In practice, to prepare for the interviews, I received the list of people that would be potential respondents to provide rich information about the company from a Sales Vice President. Eventually, there were 9 interviews with people in the company. They are at managing level, of whom 2 are Senior Vice Presidents (in Production and in Research and Development), 5 are Sales

Vice Presidents and 2 are Sales Directors. All the interviewees have rich experience in the industry, thus the information they provided captured well the situation and are trustworthy. All the interviews were done face-to-face and the average time was 41 minutes.

Then, for the interviews with customers – or external stakeholders, I chose snowball sampling. Snowball or chain sampling is the technique that identifies studying cases from sampling people who know people who are good for the interviews (Patton, 2002). The reason for choosing snowball sampling strategy for customer interviews was because it was the fastest way to approach interviewees. After every interview with an internal respondent, I asked them to find some suitable customers for the interviews. They then either introduced me to the customers via e-mails or connected me with responsible account managers who could introduce me to the customers. The process of approaching and contacting customers was about 2 months, and in total, I managed to conducted 6 customer interviews. 4 out of 6 interviewees were European customers and 2 were American customers. Because most of the interviewed customers are not located in Finland or in capital area, 4 out of 6 customer interviews were done via Skype. Overall, the average time for these interviews were 30 minutes. The below table describes the profiles and technical details of internal and external interviewees, and is documented according to the interview order.

Table 3. Details of the interviews

| Interviewees | Profile | Interview date | Interview type | Interview duration |
|--------------|----------|----------------|----------------|--------------------|
| I1 | Employee | 12.02.2018 | Face-to-face | 49m14s |
| I2 | Employee | 14.02.2018 | Face-to-face | 51m06s |
| I3 | Employee | 14.02.2018 | Face-to-face | 44m43s |
| I4 | Employee | 16.02.2018 | Face-to-face | 40m31s |
| I5 | Employee | 21.02.2018 | Face-to-face | 51m46s |
| I6 | Employee | 01.03.2018 | Face-to-face | 41m41s |
| I7 | Employee | 07.03.2018 | Face-to-face | 40m20s |
| I8 | Employee | 26.03.2018 | Face-to-face | 27m07s |
| I9 | Employee | 12.04.2018 | Face-to-face | 27m31s |
| I10 | Customer | 03.04.2018 | Skype call | 37m37s |
| I11 | Customer | 09.04.2018 | Skype call | 34m49s |

| | | | | |
|-----|----------|------------|--------------|--------|
| I12 | Customer | 12.04.2018 | Face-to-face | 31m12s |
| I13 | Customer | 12.04.2018 | Face-to-face | 36m08s |
| I14 | Customer | 23.05.2018 | Skype call | 21m29s |
| I15 | Customer | 15.06.2018 | Skype call | 19m01s |

3.3.2 Interview questions

As mentioned above, how the interview questions are designed is important to the research quality (Lindlof & Taylor, 2011). Semi-structured interviews include more open-ended questions than Yes/No questions (Patton, 2002). There are 11 questions in my study and they are divided into three parts. The list of question can be found in the Appendix 1 (pp. 74). The first part of the interview introduces and guides the interviewees to the research topic so that they become more familiar with the focus topic about organization's innovativeness. Explorative questions such as "What is an innovative company in this industry in your opinion", "Why do you think such company is innovative", and "How does this company is different than others?" were asked to the respondents.

Then, the second part of the interview emphasizes more on cultural factors in innovativeness. In this part, the focus questions are: "How the company's culture affects the innovative ability?", "What are the important elements contributing to the company's innovativeness", "What is the role of communication here?", and "How do you want to be communicated about innovation-related topics?". Questions about what contributes to organization innovativeness are followed by the question asking about communication activities that can enhance cultural factors. After that, I asked the respondents to rank the factors presented in Table 1 (for cultural factors) and Table 2 (for customer-perceived factors). I provided them a set of cards with the factor's names written on it and asking them to rank them from 1 (least important) to 5 (most important). While sorting and ranking the cards, some people expressed their thoughts, so I could understand what they meant with their card arrangement. If the respondent did not explain, I would approach to ask them why do they arrange the cards in such order. The meaning of this is to confirm the importance of the factors and to determine which factors are more significant than others.

With a similar structure, the third part of the interview shifts the focus to customer-perceived factors that influence organization innovativeness. The questions I asked here were similar

to the questions about cultural factors. The factors were also ranked from 1 to 5 by the respondents. After each interview, I took photos of the ranking cards. An example of this card assortment can be found in Appendix 2 (pp. 75). With customer interviews that were done via Skype, due to time and accessibility's limitation, I created an online questionnaire and asked the interviewees ranked the factors by sharing computer screen with them.

3.4 Data analysis process

The data reveals how I – in the role of a researcher – interacted with the documentary materials. Among documentary data analysis method, qualitative content analysis, was chosen as the analysis method. Qualitative content analysis is the method for understanding the meaning of documentary materials, as well as verifying theoretical relationships (Altheide & Schneider, 2013). The aim of qualitative content analysis is to be systematic and analytic by constantly comparing relevant situations, styles, image, meanings and nuances from narrative data (Altheide & Schneider, 2013). The outcome of qualitative content analysis is to form categories that serve to describe the studied phenomenon (Elo & Kyngäs, 2007). Moreover, this technique focuses on the observation and the coding of respondents' answers. So, the researcher is assumed to be a competent observer (Neuendorf, 2017).

There are two groups of interviewees, internal respondents and external respondents. Therefore, it is important to interpret, make sense and compare the meanings of respondents' messages. The purpose of this study is to determine categories of factors that contribute to organization's innovativeness, which fits with the outcome of ethnographic content analysis (Elo & Kyngäs, 2007). Regarding the researcher's role, as I was working at the case company during the time I conducted the empirical research, I had a greater access to interact and observe respondents before and during the interviews. Altogether, qualitative content analysis is a suitable choice for data analysis. Basically, there are four steps when applying qualitative content analysis, which are "Decontextualization", "Recontextualization", "Categorization" and "Compilation" (Bengtsson, 2015). I adopted the suggested stages of Bengtsson (2015) in my data analysis process. The process of qualitative content analysis from Bengtsson (2015) is illustrated in *Figure 9*.

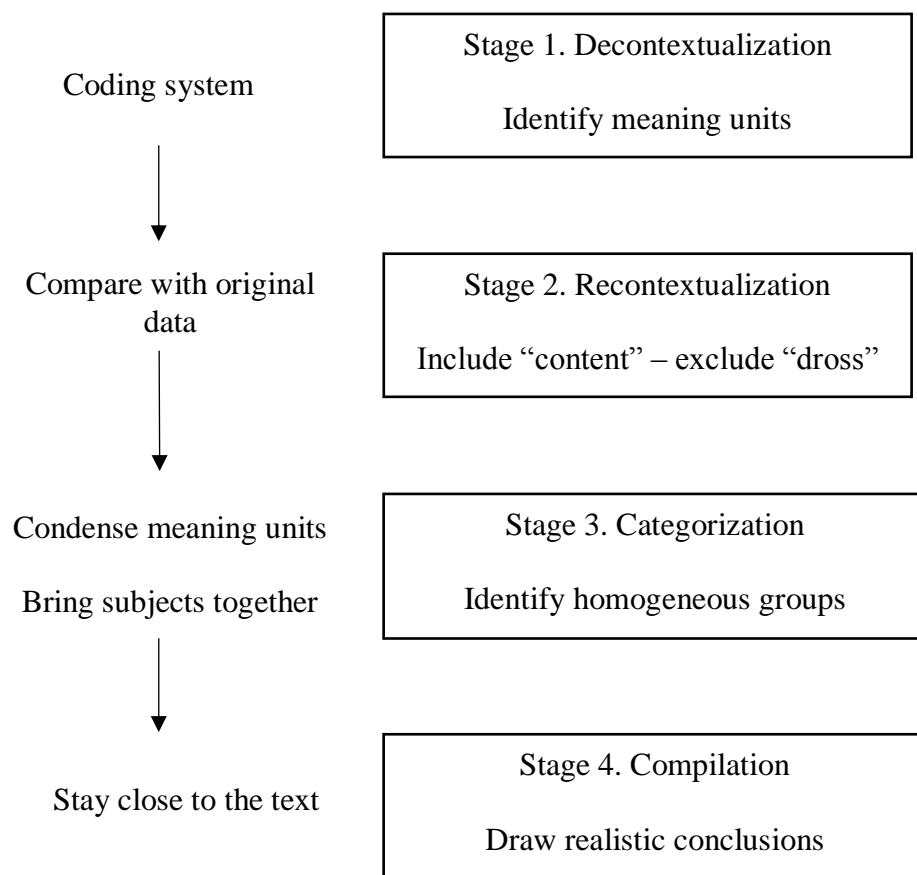


Figure 9. The process of qualitative content analysis (Bengtsson, 2015)

To apply qualitative content analysis method, I coded the interviewees by number from 1 to 15. Interview 1 was the first interview and Interview 15 was the last interview I had. In stage one, the “Decontextualization” stage, the researcher familiarizes with the interview data and identifies meaning units, or the code, based on the question order (Graneheim & Lundman, 2003). In practice, I read the transcripts and took notes of key sentences respondents said that were relevant to the topic. I did the first round of open-coding by putting notes on each interview transcript, comparing the transcripts together while reading them, and connecting what the interviewees said with how they ranked the factors. In other words, I was making sense of the data between different interviewees (Elo & Kyngäs, 2007). After taking notes about all questions from all interviewees, I read the open-code texts again to decide which content should be included, and which one is redundant, repetitive and unrelated to be left out. This is a part of the “Recontextualization” step, in which the content is reduced but at the same time, is enriched (Bengtsson, 2015). So, it indicates nothing about the quality of the analysis (Graneheim & Lundman, 2003).

Then, with the condensed texts, I further compared what are the similarities and the differences between respondents' answers, then categorize the texts into homogeneous groups (Bengtsson, 2015). The "Categorization" stage for this research was done based on how the respondents discussed and connected the factors during the interviews. For example, "Leader's encouragement", "Involvement with customers", or "Flexible and adaptive environment" were repeated by all respondents throughout the interviews. Moreover, respondents said that these factors relate to each other and are steered by the leaders. Therefore, "Leader" is one category for the analysis. Other categories are: Individuals, Innovation, and Branding.

After the "Categorization" stage, it is the "Compilation" stage. This stage of analysis is also called as "Abstraction" because it emphasizes descriptions and interpretations of text content on a higher level (Graneheim & Lundman, 2003). In compilation stage, I drew some conclusions based on the data content. I also mapped out the connection between different factors (or categorizations). This connection can be found in the following chapter (Chapter 4). The analysis process was iterated for multiple times in around 1,5 months and there were few changes in condensed meaning units, as well as how the content analysis reflects the respondents' rankings and vice-versa. The reason for the adjustments is that sometimes, what the interviewees said during the interviews may lightly contradict with their ranking.

3.5 Trustworthiness

In qualitative research, the concepts of credibility, dependability and transferability have been used as aspects of trustworthiness to determine the research quality (Graneheim & Lundman, 2003). These aspects should be intertwined and interrelated to each other. First, credibility refers to how good the data has been collected and analysed. It means choosing participants with various backgrounds and experiences, selecting suitable meaning unit and integrating the similarities and differences between categories (Graneheim & Lundman, 2003). In this study, the participants have different backgrounds, both in terms of working positions and cultural backgrounds. Second, the meaning unit in this study was short paragraphs that consist of 2-3 sentences. It is a good length because it is not too broad as a long paragraph and not too narrow as a single word (Graneheim & Lundman, 2003).

Also, the analysis process was iterated three times to ensure the quality. The analysis process has been explained in the previous part (3.3). After three analysis rounds, the connection

between organization innovativeness' factors has been confirmed. For example, "Relevance of innovation" factor closely relates to "Prior knowledge in the field", "Easy and comfortable to use" and "Market impact" factor. The findings reflect previous studies in the field not only by affirming the significance of the factors but also showcasing the connection between the factors. Therefore, this study is credible as it is based on the arguments and discussions of experts, and the findings are aligned with organization innovativeness' literature.

The second aspect of trustworthiness is dependability. When data change over time, there could be an inconsistency during the data collection period (Graneheim & Lundman, 2003). Since interviews and observations are evolving processes, the researcher faces the risk to facilitate the interviews with less observant manner because of repetitive setup and patterns. To avoid data collection inconsistency, the data for this study was collected between early February and early June, so it is not a long amount of time and the data was collected consistently. I recorded each interview and after the interview, I transcribed the recording to text data. I also took photos of how people ranked the factors. All of this requires efforts to listen and lead the conversations, as well as to observe respondents when they arrange the factor cards.

Finally, transferability refers to the extent to which the findings can be transferred to other settings or groups. Graneheim and Lundman (2003) state that it is the readers who decide whether the findings are transferable to another context. Graneheim & Lundman, 2003). Regarding this study, although it is a case study, the company is a global company operating in many countries. So, to a certain extent, the problems this company faces can relate to many other companies, especially the ones in the same industry. Therefore, the findings can be transferred to another context.

4 EMPIRICAL FINDINGS

In this chapter, the interview analysis is presented and discussed accordingly to the research questions. The analysis contains three parts: the first part is about significant cultural factors, the second part is about customer-perceived factors, and third part is about the communication between and among stakeholders in terms of innovativeness' factors. The findings answer two research questions, which are:

1. What are significant factors contributing to organization innovativeness, from the perspective of external and internal stakeholders?
2. How can stakeholder communication support the building of an innovative corporate brand?

The chapter starts with an overview of packaging as an innovative industry. This overview helps to introduce the industry's specific context that affects how respondents explain about the factors and their importance to innovativeness. Therefore, it is important to present findings about packaging industry first.

4.1 Packaging as an innovative industry

Interestingly, there is a visible contrast between internal and external respondents. When asking respondents to name an innovative company in packaging industry, all internal respondents were hesitant and doubted that there is such company in the industry. From their point of view, packaging industry heavily relies on investment and efficiency, illustrated by the following quote of one respondent: *"There's no such company that isn't doing new things and can be recognized as innovative"* (Interviewee 4). Contrastingly, external respondents were much more positive about the innovative capability of packaging industry. According to three out of six respondents, packaging industry is an innovative industry that has the potential to be innovative. Customer interviewees emphasized the fact that the market is moving forward because: *"People need packaging everywhere and for everything due to changes in consumer behaviors and digitalization"* (Interviewee 11). Brand-owners, therefore, will pay more attention to the packaging. This suggests opportunities for packaging companies to search for new ideas even though the industry has been quite sturdy.

Specifically about the case company, both groups delivered mixed responses and opinions about the company's innovative capability. 10 out of 15 respondents agreed that this is an innovative company. Some respondents perceived the Case as an innovative company because it has managed to turn around the business model to adapt to market changes throughout the years: *"You have renewed your model and have people to renew your atmosphere to be more innovative. I see that you're now at a good starting point, you're becoming more innovative."* (Interviewee 11)

Agreed upon this opinion, internal respondents acknowledged the efforts to move forward for the past years by stating that: *"We're going to the right direction. We have been able to adapt to the market situation and make the turnaround from printing paper to packaging industry"*, and *"Go back to 10 years ago, we were passive, but now we take the lead. We come up with nice ideas, new type of products and solutions."* (Interviewee 1) Furthermore, respondents said the Company can be one of the most innovative ones in the industry because it can wake up the interest of customers and always improve products' quality. In this context, people referred innovativeness to being active and risk-taking.

On the other hand, other respondents argued that they did not see any innovations and described the company as someone who *"has been sleeping"* (Interviewee 5), and *"We believe we're innovative because we create new products, but I don't believe so."* (Interviewee 9) Another respondent specifically prompted that innovative capability is not sustainable at the case company as it is *"a case-by-case story"* (Interviewee 3). He explained that there has not been a coherent knowledge about what is innovative inside the company, especially in different factories. The respondent described how he considered workers at one factory are more innovative than at other because they are more flexible and proactive. Furthermore, the lack of new ideas is also one aspect for the respondent's opinion as a respondent stated that: *"If we arrange the workshop to collect ideas, I can guarantee you that 90% of the ideas we have are ideas that were from 10 years ago. I don't know why, but the same thing keeps happening."* (Interviewee 3)

From the customer's side, respondents were less critical about the company's innovativeness. They said that it is not only this company but also the whole industry is not innovative due to its nature of being production efficiency with heavy investment. Here, innovativeness refers to unique ideas that can change the market. Then, when discussed about the Company's innovative capability, the concept of innovativeness was approached

more from the organization's culture point of view. In summary, there is a preconception that packaging is not an innovative industry, including the case company. People who recognized the Company as an innovative company conversed about how active the company has been. Those who indicated that it is not an innovative organization deliberated aspects, such as lack of risk-taking attitude, new ideas, and being flexible and adaptive. These factors belong to cultural factor group (Table 1). All in all, factors that are related to company's culture have an important role in extending or shrinking organization innovativeness.

Coming up, the following parts unfold what kind of cultural factors and customer-perceived factors that influence the firm's innovativeness, from both external and internal stakeholders' perspective. It starts with organization's cultural factors.

4.2 Cultural factors contributing to innovativeness

The interviews revealed that there is a gap between how two respondent groups perceive cultural factors. However, the gap is not momentous at all, except for the factor "Preparedness for future" which has the biggest gap between two groups. In general, the rankings of customers are more fluctuate than the Company's respondents, as illustrated in *Figure 10*. The figure provides detail rankings of cultural factors from internal and external respondents.

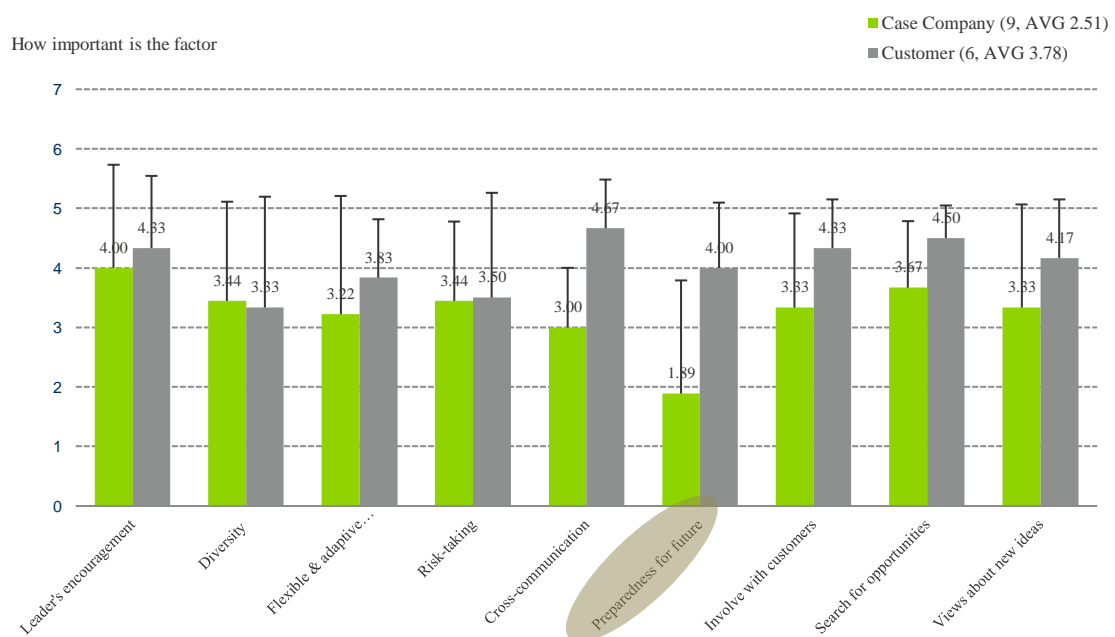


Figure 10. Significant cultural factors contributing to innovativeness

During the interviews, respondents naturally linked some factors together by repeating putting them together in the interviews. So, to make the analysis more concise, it is helpful to present the analysis based on the groups as respondents expressed. The first group is “**Leaders**” group, referring to factors that can be initiated, steered, and encouraged by the organization’s leaders to create the culture where innovativeness is valued. This group of factor is demonstrated on the left side of *Figure 11*. The second group is “**Individuals**” group, concerning about factors that respond to the responsibility of individuals in the organization. This group of factors is illustrated on the right side of *Figure 11*. Finally, in the middle is two factors that are responsibly shared between leaders and individuals in the company. The order of the listing is arranged as per average score of both respondent groups.

The analysis on the meaning of the factors is elaborated below and usually, it starts with internal respondents’ opinions, following up with external respondents’. When each factor is first discussed, it will be in bold characters.

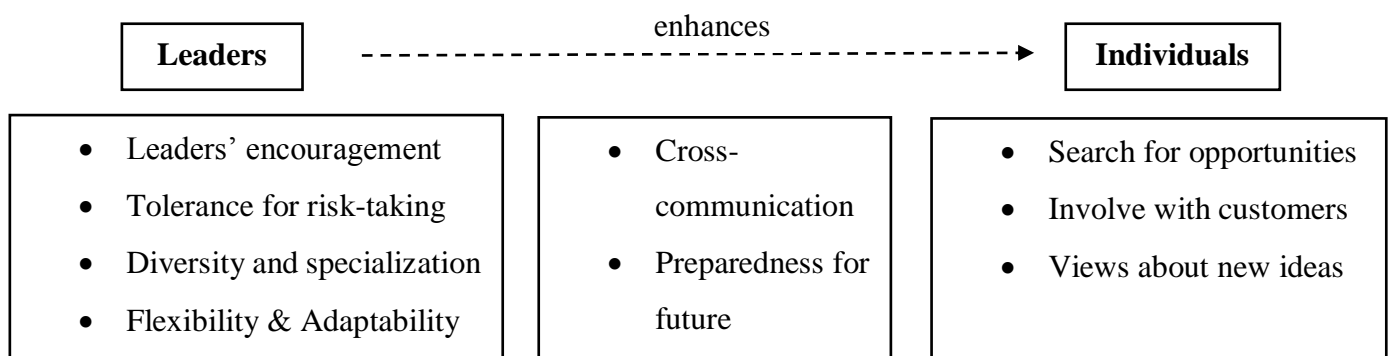


Figure 11. The categories of cultural factors

4.2.1 Leader’s factors

Leaders’ encouragement is the factor that is most significant according to internal stakeholders’ ranking. All respondents agreed that changes need to made from top management. In detail, one of the interviewees expressed he believed that: “*Our people in general are great, flexible and open-minded. If the leaders want to be more innovative, I think people here can make it happen.*” (Interviewee 9) Literally, what the respondent means is that when people understand that they are allowed to be more innovative, they will create

more innovative solutions. To do so, the company's management team should perceive innovation as an investment rather than a cost, starting with produce a flexible environment and customer focus mindset to allow and support more experiments. Naturally, the interviews reveal that "Leader's encouragement" factor affects "Flexibility and Adaptability" factor.

"Flexibility and adaptability" factor is part of "Openness to change" – one in five dimensions of organization innovativeness (Ruvio et al., 2014). From empirical evidence, being flexible and adaptive is a substance to support the growth of other factors, such as "Search for opportunities" or "Views about new ideas". It could as well a consequence of other factors such as "Leader's encouragement" factor. Explicitly, three out of the Company's people said that it is not a flexible company. According to them, customers would view the case company as *"a dinosaur that lives in the past"* (Interviewee 9), who has great products but is not flexible in approaching market drivers.

Contrastingly, other respondents from both internal and external sides all considered it as a flexible company and has great potentials to be a more innovative company, as the following quote (from Interview 11) states that: *"[The Company] is good. You have renewed your model and atmosphere to be more innovative. But there's still opportunities to be more innovative. You need to be more customer-oriented, listen, listen & listen to your customers."* In other words, being flexible and adaptive is both a requirement and a consequence for innovative companies. The finding is aligned with Rogers' theory (1995), which argues that by being less centralized, complex and formal, but more interconnected, an organization will become a more innovative company. So, a flexible and adaptive environment enhances other characteristics and vice-versa, other factors lead to a more flexible and adaptive setting.

Respondents consider "Leaders' encouragement" as one of the most important factors that affect innovative capability of the company from the cultural side. Leaders' encouragement is vital in steering the organization towards a more innovative direction because changes and decisions need to be made from the top. Because *"it is not enough for just one department to be innovative"* (Interviewee 10), it is prominent for employees to feel that they are encouraged by their leaders to search for ideas that can be useful for the company. One respondent expressed that it is leaders' philosophy that determines the *"DNA of the company."* (Interviewee 10) This finding is aligned with Rogers' theory (1995) which

emphasizes that strong leaders can dominate the organization's practices, and that leaders' attitude towards change for innovations can convince and encourage employees the merit to implement new ideas.

The "*DNA of the company*", from his perspectives, means the company's atmosphere, diversity and confidence that can produce disruptive products for the industry. In other words, respondents believe that integrated employee participation in innovation process is important, and it is the leader's role to encourage and support this by creating a flexible, diverse and risk-free environment. This finding mirrors Hurley and Hult's (1998) conclusion that the effect of "Power sharing" characteristic on increasing innovative capability is less essential than "Learning and Development" and "Participative decision". Empirical findings have mirrored these theories in a way that it highlights people's participation in the innovation process (Hurley & Hult, 1998).

The other two factors within **Leaders** category are "Employee's diversity and specialization" and "Tolerance for risk-taking". According to Rogers (1995), "**Diversity and specialization**" is one characteristic within "Complexity". "Complexity" is the degree of organization members' knowledge and expertise, measured by the range of occupational specialties and professionalism working with research and development (Rogers, 1995). Compared to that notion, the perception about diversity conversed in the interviews refers more to the cultural background and age range among employees. Many internal respondents (7 out of 9) agreed that employees' diversity brings in people with different background, thinking, interest and expertise. Workforce diversity creates more potential be creative and exceptional.

Furthermore, with the fast-paced development of technology, some internal interviewees expressed that young people can learn and implement new technologies or trends to innovations better than they are. So, it is useful to have young people in the company. Another reason to aim for organization diversity is to freshen the environment and people's mindset. He expressed that current people in the company would need "*few sidekicks here and there to make the whole things started*" (Interviewee 9) because they are stuck in daily working process. Respondents considered "*a fresh breeze*" (Interview 9) is necessary for improving innovative capability from the cultural side.

Similar to internal respondents, customer respondents supported diversity in the company. Some people suggested that there should be diverse specialization in innovation projects. One interviewee expressed that: *“Usually R&D people are in their silos, doing their own things. But in my opinion, nowadays, everybody in the organization is part of the R&D process. This is one thing the company needs to put effort in.”* (Interviewee 10) Although the solutions may not be innovative in terms of newness, by co-creating them together, the employees can teach each other to view from various perspectives.

Nonetheless, the challenge is that the company is not appealing to young people as the common perceived image about the company and the industry is that: *“It’s a boring, old-fashioned industry.”* (Interviewee 9) This issue is applied for all the companies in packaging industry as it was repeated by multiple respondents. More than that, many of them did not know how to change the situation as one said that: *“If I know how it’s done in practice, I’m not going to sit here (in the interview).”* (Interviewee 7) To them, it is the management team’s responsibility to encourage more diversity and specialization in the company. One respondent believed that *“Once people are here, they will create something, so to bait them to come to us [is the task to do].”* (Interviewee 9), implying again the leader’s role to embrace changes, in this context is the workforce diversity, is important. This finding supports Rogers’ theory (1995) about the variables of organization innovativeness in a way that it also highlights the importance of workforce diversity. However, Rogers (1995) neither discussed how to improve diversity nor confirmed the relationship between leadership and organization’s diversity. The interview findings point out this connection and the impact of packaging industry context as a hindrance to innovativeness.

Finally, **“Tolerance for risk-taking”** is the ability to embrace the risks of the organization. Hurley and Hult (1998) deliberate that the ability to be more risk-taking negatively correlates with the organization’s age. Nonetheless, Hurley and Hult (1998), as well as other previous researches, for example Ruvio et al. (2014) and Kunz et al. (2011), did not specify what does it mean as being risk-taking. Suggestively, the interviews have exposed more information on what is risk-taking in packaging industry. According to internal respondents, “Risk-taking” refers to being open to new ideas, providing individuals space, time and budget to try out ideas, being more flexible and adaptive, and not being afraid of making mistakes and failures. The respondents assume that if the company, as an entity and as individuals altogether, is more open to these aspects, it will be more innovative.

This finding aligns with Hurley and Hult's study (1998), discussing that "Organizational learning" is one antecedent to innovativeness. The authors argue that "Organizational learning" refers to the development of new knowledge or insights that potentially influence members' behaviors, and that the adoption of a more risk-taking environment will likely lead to the change in members' attitude towards learning new knowledge and insights (Hurley & Hult, 1998). The outcome of higher tolerance for risk-taking is that individuals would be more active to search for ideas that can be implemented in work, as one respondent shared that: *"It's a good sign for the company if you think about how to improve packaging even in your free time."* (Interviewee 2) Financial-related risks were not emphasized and encouraged as most respondents.

Then, from external respondents' side, "Risk-taking" refers to the company's atmosphere where people can test the ideas and have the confidence that it is acceptable to fail because *"You can learn a lot from failures."* (Interviewee 5) This is coherent with the opinion of internal respondents. Reflecting on how the company has been doing, respondents expressed that they would like to see it to be more risk-taking than it is now. A respondent gave an example that, even if many ideas collected from people are not *"rocket science"*, or *"have been around before"*, the risk is worthy and the *"dare-to-try spirit"* is necessary (Interviewee 3, 5, 9 & 10). To do so, the role of leaders was emphasized again to steer diversity, flexibility and risk-taking tolerance within the company. On the other end, wasting resources and repetitive practices were considered redundant. Therefore, it is vital at the same time to filter ideas, like one person expressed that: *"As a company, you cannot have ideas flying around, you need to filter it. At the end, only couple are usable ideas. So, there could be lots of ideas, then there needs to be a process to put them into the filter to separate good ideas from not practical ideas."* (Interviewee 2)

All in all, within the **Leaders** group, the findings are coherent with the theories' model from Rogers (1995), Hurley and Hult (1998) and Ruvio et al. (2012). Moreover, the findings affirm the importance of many factors discussed by these authors, at the same time, manage to negate some other factors such as "Power sharing" and "Status differentiation" (or hierarchical structure) as significant factors of organization innovativeness. The role of leader in steering and encouraging the practice and development of other factors and the importance of having a flexible environment are also highlighted in this empirical research.

4.2.2 Shared factors contributing to innovativeness

There are two factors in this category: “Cross-communication” and “Preparedness for future”. Respondents said they support the idea to mix people who work in different departments, or senior employees with junior ones, to earn more perspectives while at the same time guarantee the ideas’ feasibility. Therefore, cross-communication is closely related to organization diversity, yet it is the responsibility of not only the leaders but also every individual in the organization to interact with each other.

“Cross-communication” is said to be practiced all over the case study company. The issue does not lie in whether people are ready to communicate with each other, it is more about how people prioritize the values of innovation-related projects and discussions. One respondent explained that at the company, *“people usually see R&D department as a propeller to circulate and accelerate ideas”* (Interviewee 3), yet it is unclear how much other people want to join or contribute to expedite the speed of innovation as illustrated by another quote stating that: *“How could we involve the rest of the organization to join. It’s a very good question...”* (Interviewee 3) In other words, people recognize the importance of being innovative, at the same time, they consider innovation is not their responsibility.

According to external respondents, it is critical to bind the gap between people who work with innovation projects, in many cases referred to the R&D department, and the rest of the organization. It is based on the opinions of some respondents, of which one specifically said that: *“Usually, R&D people are in their silos, doing their own things. But in my opinion, nowadays, everybody in the organization is part of the R&D process.”* (Interviewee 10) This stance is very comprehensible with internal respondents’ opinions that cross-communication in innovation is necessary. Several respondents commented that it is essential to have a contact point where people can refer to when they have any new ideas that potentially can lead to innovations. To them, communication and diversity should be encouraged, but the organization’s structure need to be clear so that people know who they should reach out to. Such suggestion was raised couple of times, for example from this quote: *“You just have a department who has no other function than just working with innovation projects, like some companies do have.”* (Interviewee 5)

Then, **“Preparedness for future”** is the factor that has the biggest gap between internal and external respondents. Internal respondents view this as an insignificant factor as the rank

was only 1.89, while external respondents consider this as a significant factor with the score is at 4. In more specific, customer respondents expect to see future vision from their suppliers, which is the case study company. This finding mirrors Ruvio et al. (2014)'s literature, in which they view "Future orientation" as one important dimension of innovativeness. Nonetheless, literature emphasizes the role and vision of leaders in directing future orientation, nonetheless this point was not mentioned by any customer respondents. The leader's role in making future vision, on the other hand, was discussed by some internal respondents. One internal respondent highlighted that it is significant to have "*the same vision for everyone in the company is important for future.*" (Interviewee 1) Another respondent said that preparing for future means diversifying the workforce and attracting younger people, those who understand and catch up with worldwide trends (Interviewee 6). This exposes that organization diversity is a vital aspect of innovative organizations, and diversity is managed strategically from top to down, which means it is built upon leader's decisions.

4.2.3 *Individuals' factors*

Based on the interviews, "Involve with customers", "Search for opportunities", and "Individual views about new ideas" are grouped together within the **Individuals** category, indicating that these factors relate more to individuals' responsibility. Within this category, both internal respondents and external respondents ranked the factors close to their corresponding average scores. It means that the significance of these factors is similar to each other.

From Hurley and Hult's research in 1998, "**Involve with customers**" is part of what organizations communicate about innovativeness to stakeholders. The authors state that innovation and communication contribute to organization innovativeness. Communication about innovativeness is about collaboration and interconnectedness within the organization, networking, comprehensive internal and external communication, and involvement with customers (Hurley & Hult, 1998). In practice, "Involve with customers" factor was mentioned by all interviewees. It was said that the case company should strengthen the customer relationship. At the moment, how the Company develops new products can be understood by this quote: "*We tend to think that we have these machines. We can do this and that on those machines. Then we go ask the customers if they like it or what do they want. So, it's like that. We have machines and we hope that someone will like it.*"

(Interviewee 4) Compared to this process, respondents hoped the company could be more customer-oriented, specifically in three ways: initiating to approach customers, involving customers in innovation projects, and understanding customers' value chain.

First, it is important to initiatively approach customers. This finding raises from the fact that it is the customers who approach the case company and ask if it has new products or improvements to propose. So, the Company has been in the receiving end. Change is necessary to be done, said by internal respondents. It starts with talking to customers, both current and potential customers, getting their feedback as early as possible in product development process, and understanding what kind of products they want to buy now, as well as in future. Early engagement with customers brings in customer's opinion on the idea feasibility, usefulness and newness, as one respondent demonstrated that: *"You should consider talking to customers as soon as possible. Because you can never be sure if (the new idea) works for them."* (Interviewee 2)

Second, a company can be more customer-oriented by actively collaborating with customers in innovation projects. An internal respondent recalled that: *"Many companies establish for customers that: I will work with this company (for innovation projects). Unfortunately, we have not been in that list."* (Interviewee 5) By collaborating with strategic customers, it will place an impression on customers' mind that they can rely on the Company when it comes to innovation. From the customer's perspective, most customers showed an eagerness to work with the case company for innovation projects. An interviewee said that working closely with the case company is very important to his company and that *"if another company come and ask, they have to impress me much more to listen"* (Interviewee 10). It is quite opposite to the answers that people inside the company gave. As such, there is a perception mismatch between internal and external stakeholders here. People in the Company seem to be more pessimistic about the opportunities to work with their B2B customers.

Third, the understanding of customers' value chain is critical to be customer-oriented. Value chain expertise was mentioned by most of respondents as a prerequisite factor in creating a trusting relationship with customers. The knowledge of customer's value chain is essential because *"The knowledge of the whole value chain & concept improves the image of [the Company] in customers' eyes."* (Interviewee 6) On the other hand, engaging customers to innovative development projects could produce some risks that need to be aware of.

Realistically, packaging industry comprises of various actors in the value chain, thus the competitiveness is high and it is not recommended to feed someone with good ideas before you have the chance to bring your ideas to fruition. Then, while customers are eager to collaborate with the Company, they expect to be the initiator and benefit more from the partnership. A customer emphasized that: *“I expect the innovation comes from the partnership with us. It should be natural that I’d be the first in line for all innovation, we’re the one who markets it and grows together with suppliers. That’s for me, number one.”* (Interviewee 10) All in all, involving with customers in innovation is a double-edged sword and should be controlled at certain level.

“Search for opportunities” is the second ranked cultural factor from internal respondents. Search for opportunities is a sub-set of “Proactiveness” dimension (Ruvio et al., 2014). “Proactiveness” refers to the active search for opportunities, experiment with new ideas and act on future needs (Ruvio et al., 2014). Nonetheless, the authors do not discuss in details how organizations enthusiastically pursue and exploit opportunities. The interviews explored some ways to practice “Search for opportunities”. First, it refers to individuals’ dedication, as elaborated by one respondent: *“Even in your free time, if you think about how to improve packaging, it is a good sign.”* (Interviewee 2) In this sense, “Search for opportunities” mirrors two characteristics from Hurley and Hult (1998)’s study, which are “Learning and Development” and “Participative decision”. It calls out individuals’ attitude to continuously learn, develop and contribute to the organization’s innovation process, which is similar to the dedication described by interviewees.

Moreover, the interviews revealed concrete ways to strengthen individuals’ motivation in actively search for new opportunities, which are to recruit right types of people, to create an encouraging and rewarding environment, and to diversify the workforce. These elements are familiar as they have been discussed above already, which emphasize two points. First, there is a strong connection between different factors of innovativeness, in this case, it is “Search for opportunities” and “Diversity and specialization”. Thus, it calls out for co-creation and cross-communication. Second, it suggests that factors that lie on leader’s responsibility are powerful; they can positively or negatively affect individuals. A respondent summed up these points nicely as he said: *“People have different opinions about structure design, technology, packaging design, etc. Their brain works differently. If there’s always deadlines, the result will be limited.”* (Interviewee 5)

Finally, “**Views about new ideas**” is one part of “Openness to change”, a dimension of organizational innovativeness defined by Ruvio et al. (2014). “Views about new ideas” can be understood as the degree to which the organization and individuals within the organization is open to adopting new idea (Ruvio et al., 2014; Hurley & Hult, 1998). The significance of this factor was confirmed by all respondents, yet one internal respondent ranked this 1, meaning least significant. Nonetheless, this interviewee confirmed the importance of this factor when commenting about the working culture’s difference in the factories, which says that: *“The T. factory has always been innovative, and the spirit is still there even though we haven’t put any investments there for years. The guys work hard and very tender in taking good care of the machines. Then we have some other factories that are just the opposite. The culture is completely different. They are not so innovative and not so active.”* (Interviewee 3)

In summary, the factors in **Individuals** category revolves around how people can contribute to organization innovativeness. It is by actively searching for newness, understanding customers’ value chain and involving customers in innovation discussions and works. More than that, the **Individuals** factors are enhanced by the **Leaders** factors in a way that if the leaders’ encouragement increases, individuals will be more willing to apply their expertise in innovation projects, and vice-versa. A respondent illustrates this stance with his statement: *“You need to have an atmosphere in the company where people feel that they can give their own ideas & can throw ideas without the fear that I’m gonna be punished if I say something...”* (Interviewee 4)

4.3 Customer-perceived factors contributing to innovativeness

As mentioned in the theoretical chapter, customer-perceived factors refer to the customers’ perception about a company’s innovative capability based on what it communicates outwardly (Kunz et al., 2011). For instance, customers obtain the impression that one company is more innovative than others because it provides the image of a dynamic company. Table 2 collects customer-perceived factors discussing in literature, the factors were asked to rank in the interviews. The figure below (*Figure 12*) unfolds the respondents’ ranking on how significant each factor is.

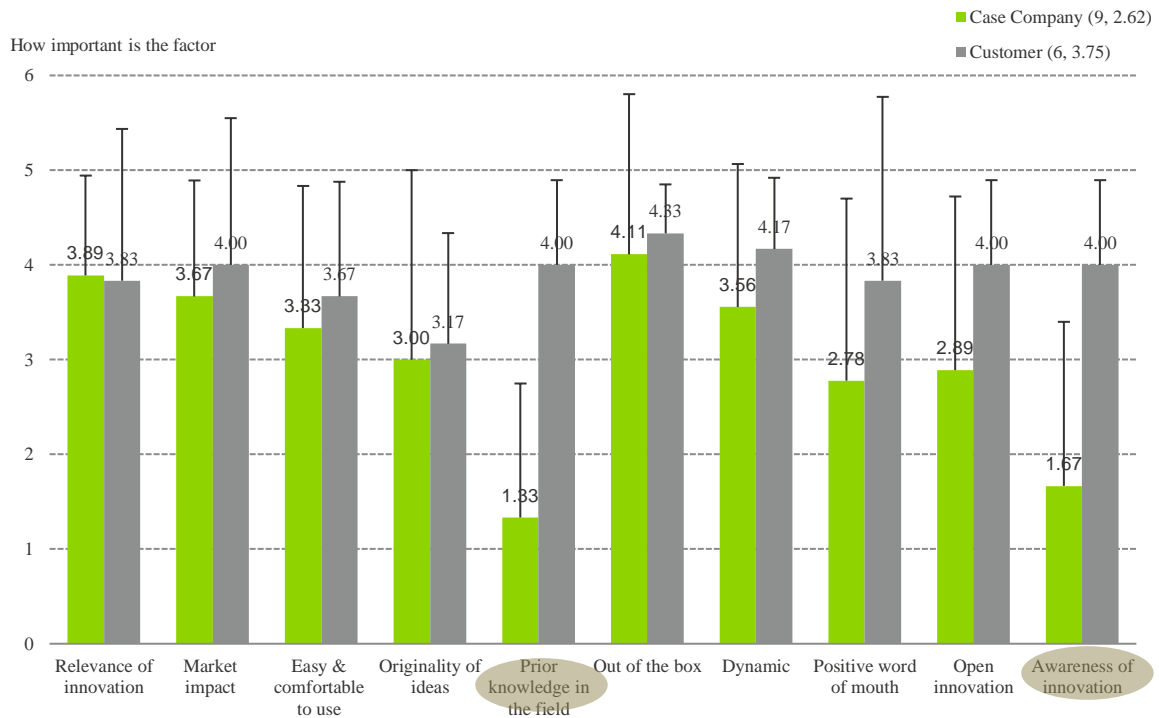


Figure 12. Customer-perceived significant factors contributing to innovativeness

Similar to cultural factors, the factors that are ranked more than average score is considered significant, or more significant than other factors. The significant factors are also divided into two groups. The first group includes factors that relate to innovation, which are “Relevance of innovation”, “Market impact”, “Easy and comfortable to use”, “Originality of ideas”, and “Prior knowledge in the field”. On the other side is the branding group, which comprises these factors: “Of out of the box”, “Dynamic”, “Positive word-of-mouth”, “Open innovation”, and “Awareness of innovation”. *Figure 13* below illustrates the arrangement of two categories, and the arrangement, from top to down, is accordingly with the average score from respondents, similarly with how cultural factors were arranged.

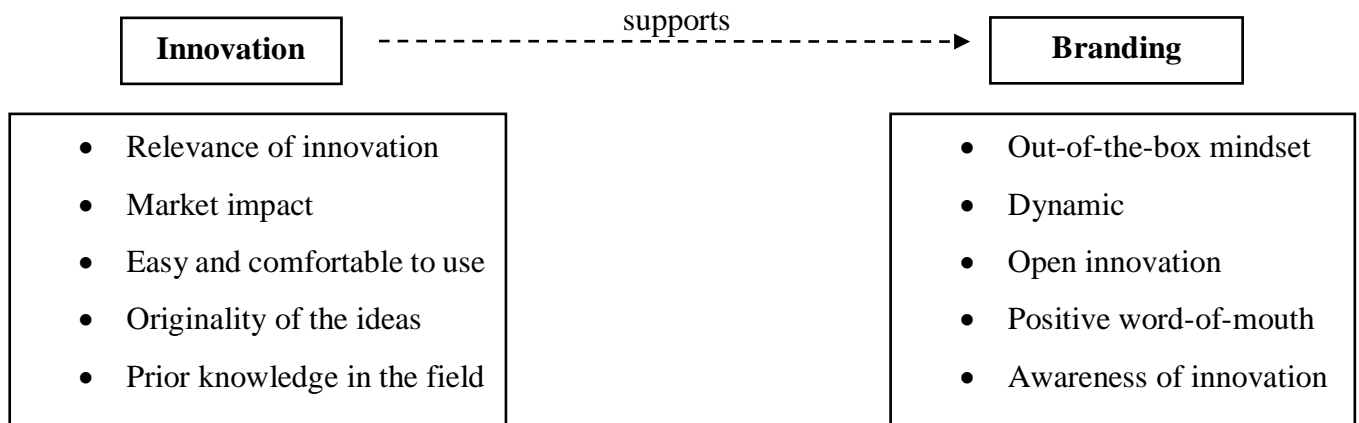


Figure 13. Categories of customer-perceived factors

4.3.1 Innovation factors

From the interviews with internal respondents, they expressed that the case company has not been very good in communicating how dynamic and out-of-the-box the company is compared to few competitors. Based on respondents' answers, one possible explanation is that the company has not obtained as many disruptive innovations as expected. This stance was expressed by both groups of interviewees. An internal respondent said that: *"If you think about technology that really changes (the market), it has been more or less the same for years."* (Interviewee 5) With a similar tone, an external respondent stated: *"I like the folks (people in the case company), but I don't really see anything... I would suggest you to talk about how your product is different, and how it's going to be lighter and cheaper. I don't see a lot of that. Every time we call, we ask the price and they offer us a price. That's that."* (Interviewee 14) The finding suggests that innovations can create content for branding, and once the brand produces a positive impression, the organization innovativeness will be enhanced. This goes along with the literature discussed in Chapter 2 by Nedergaard & Gyrð-Jones (2013) and Hatch & Schultz (2003), confirming a synergy between the literature and organization's practical perspective. Therefore, it suggests that the **Innovation** category supports the impact of the **Branding** category, as illustrated in *Figure 12*.

The **Innovation** category comprises five factors: "Relevance of innovation", "Market impact", "Easy and comfortable to use", "Originality of the ideas", and "Prior knowledge in the field". According to Vogt (2013) and Schmitt (2003), "Relevance of innovation" and "Easy and comfortable to use" connect to each other. Empirical findings have proved that that **"Relevance of innovation"** is a significant factor. "Relevance of innovation" is

unfolded in two aspects. First, it is the knowledge of customer's value chain. A respondent demonstrated one way to benchmark the relevance of innovation for consumers is to *"go to the outlets and work there behind the desk for a week to know how end-consumers use the products."* (Interviewee 2) This finding supports the close connection between two factors "Relevance of innovation" and **"Easy and comfortable to use"** that have been discussed in existing theories (Vogt, 2013). The finding also suggests that "Relevance of innovation" factor affect other factors in **Innovation** group.

Repeatedly, knowledge of customer's value chain was emphasized by most respondents. Literally, it means new products should be easy and comfortable to use for the customers or consumers. From downstream of the value chain, most respondents emphasized the importance of getting customers' feedback. One person illustrated that: *"You go to the counter and observe how consumers use the cups", or "check with end-users if (the new product) could be comfortable and is the trendy style they want to carry."* (Interviewee 2) From upstream side of the value chain, it is to be able *"to speak the same language about the structure, design, materials, etc."* (Interviewee 7)

Second, "Relevance of innovation" associates to the understanding of what is innovation in customer's context. Interviews have shown that innovation means differently depending on what the customer needs. A customer respondent expressed that: *"Innovation brings new product to the market. In some cases, it's an improvement in specifications. For us, it is to open new markets."* (Interviewee 12) As such, for this customer, innovation is valuable when it supports market expansion. To another customer, innovation's value means specific developments in existing products, such as *"how lighter your product is compared to before or to your competitors."* (Interviewee 15)

The result of acknowledging and practicing "Relevance of innovation" is to avoid such scenario as described in this statement: *"If you spend a lot of money, then you know that was 10 years ago in the market already."* (Interviewee 2) It suggests the logical relation between the factor "Relevance of innovation" and **"Market impact"**. If the products are relevant to what customers need and want, the created impact will likely be more substantial. In addition to that, the interviews advocate the correlation between the market impact degree and branding efforts. An example by an internal respondent can illustrate this point, which says that: *"When you go to exhibitions, you see what products those companies made from raw materials. It's fantastic. You can think that these companies have something to show."*

(Interviewee 4) Literally, it assumes that once the company brand's signature is strong and accessible, stakeholders will more likely perceive it as a more innovative one. Whether the branding efforts result to any radical innovations remains a big question, yet the impact in terms of branding clearly affects how customers evaluate the organization innovativeness. This quote can sum up the significance of branding activities in creating a strong market impact: *"Very little of them (branding activities) has an overall success, but the brand success is also considered an innovation."* (Interviewee 4)

In relation to this train of thought is the discussion about **"Originality of the ideas"**. According to Kunz et al.'s study (2011), novelty (or newness) and creativity are two central characteristics contributing to customer's views on organization's innovative capability. When it comes to novelty, the idea's origin is indeed critical. As such, by theory, "Originality of ideas" should be an important factor. Empirical findings support this stance. Yet, at the same time, respondents also said that *"Innovations do not need to be rocket-science, but it's important to be useful"* (Interviewee 10). Another customer respondent expressed that it does not matter to him or his company about the originality of ideas as long as the price is competitive. So, in practice, being innovative does not necessarily translate into being novel and creative, usefulness and branding impacts *"still can be called innovations."* (Interviewee 5)

Finally, **"Prior knowledge in the field"** was ranked 1.33 by internal respondent but 4 by external respondent. This factor shows the biggest gap between the two groups for the fact that internal respondents perceive it *"a tricky thing"* because *"Sometimes you are stuck to do something that has been done."* (Interviewee 7) On the other hand, external respondents appreciate the company's expertise by stating that: *"It is the market leader because they understand the market a lot. I see improvements in quality in every year."* (Interviewee 13) It is to suggest that a good knowledge is important and to outside respondents, such knowledge is a proof for innovative ability of the company. In relation to the finding about "Originality of ideas" discussed above, this finding supports that to be perceived as an innovative company by customers, one does not necessarily to always be novel and creative – two characteristics dictated by Kunz et al. (2011).

4.3.2 Branding factors

From the **Branding** category, the included factors are “Out-of-the-box”, “Dynamic”, “Positive word-of-mouth”, “Awareness of innovation” and “Open innovation”. Referring to the literature, “**Out-of-the-box**” is one characteristic of creativity dimension (Kunz et al., 2011). The authors highlight that the management should support creative ideas that result in novel solutions that have the potential to change the market. One way to support creativity is to facilitate out-of-the-box way of thinking through trainings (Kunz et al., 2011). This theoretical stance is supported by empirical research findings since “Out-of-the-box mindset” was ranked the highest by external respondents.

The interviewees, however, did not discuss much about what creates an organization’s image of being out-of-the-box. However, from existing data, a plausible explanation could be that customer-perceived factors depend on the company’s strategic communication. It means that if the organization pays attention to communicating innovative related topics, such new products, improvements and innovation works, it can positively affect how customers perceive the organization’s innovative capability. A respondent demonstrates this point by saying that: *“Every company says that they are innovative. We have a Power Point presentation in our company (saying) that we are innovative, but it does not have any values until I explain it myself. So for me, innovation is how the company presents to be seen as innovative.”* (Interviewee 10) In this context, innovativeness is steered by the perceived awareness (“**Awareness of innovation**” factor) that such company is a dynamic and out-of-the-box company. The way to obtain such awareness is through stakeholder communication, and the outcome of this is positive word-of-mouth.

As a result, how a company presents itself as a dynamic entity is important (“**Dynamic**” factor). In the case study, internal respondents expressed that the company is not good at communicating how dynamic it is to customers. The company is viewed as *“a dinosaur”* (Interviewee 9) or a *“giant that has been sleeping”* (Interviewee 5). The reason for having such image is the lack of innovation-related communication. An interviewee said that: *“We’re not good at communicating about dynamic. I mean, look at [a competitor company’s name], they communicate very well. People may say that they only show off. But at least it creates the atmosphere that they are doing something, that they are trying new things and are dynamic.”* (Interviewee 3)

Customers admitted that the company should pay more attention to communicate innovation-related content to increase the awareness. One customer expressed that he has not received information about product development, as most of the communication is about price negotiation. This does not negate the fact that they consider the case company a good and trusty supplier. When asked what type of information and materials customers receive regarding its innovation work, customers had discrepant opinions. Some of them shared that they have frequent communication with several people in the company in various ways, from e-mail exchanges, factory visits to direct meetings and discussions. Then, some other customers discussed that they received little information about innovation projects, suggesting that there is room to improve external communication. All in all, respondents did not propose clearly how they would like to be communicated and this quote summarizes the situation: *“With profit, it is easy to communicate. But how do you communicate innovation? I don’t know how to communicate it, and I am not sure if facts and figures work here.”* (Interviewee 10)

As discussed, **“Positive word-of-mouth”** is the outcome of commercial attempts in building an innovative brand. When all these efforts reach to customers positively, the viral effect is expectedly to be stronger. Moreover, **“Open innovation”** is also a positive outcome from building and maintaining a perceived innovative image. Open innovation refers to the collaboration between companies or between a company and other institutions, such as NGOs, universities, or customers (Laursen & Salter, 2006). It was revealed from the interviews that collaboration is necessary because: *“If you do not meet people, you do not come up with anything.”* (Interviewee 10) External respondents expressed they want more direct connection between the Company’s R&D people and their responsive people to *“make sure that the supplier’s innovations could come all the way to our customers and we can be profitable all the way (through the value chain).”* (Interviewee 10)

In summary, the interviews indicate that, practically, novel and creative are not sole prerequisites for perceived innovativeness, as Kunz et al. (2011) have argued in their work. In addition to that, the relevance and usefulness of the innovation are also important. Moreover, empirical findings affirm that the significant factors discussed here are aligned with Vogt (2013), Kunz et al. (2011) and Laursen and Salter (2006)’s studies. These studies provide accumulated factors from customers’ point of view, which play as a knowledge base for this research. The analysis has connected the factors together and created a causal

relationship between the factors. The “Out-of-the-box” and “Dynamic” factors are enhanced by effective communication towards innovation-related content. Once stakeholders shape their perceived awareness, positive outcomes and collaboration possibilities elevate, which further improve the company’s innovative capability. Consequently, stakeholder communication in innovation obtains a central role in customer-perceived factors.

4.4 Innovativeness communication practices

As discussed in theoretical chapter (Chapter 2), stakeholder communication glues corporate branding and organization innovativeness together (Hatch & Schultz, 2013). It means communication helps to make sense of innovativeness factors in the making and growth process of the corporate brand. The way communication implants strategic features to corporate branding is demonstrated by the interaction’s spiral literature of Gregory (2007). The spiral of interaction engages internal and external stakeholders and expresses how they help to define and refine significant factors so that the innovative brand image is evolved continuously (Gregory, 2007). The second part of the interviews explored communication practices that are relevant to innovativeness factors and gauge the effectiveness of those practices. This is to reflect which aspects have the company done well and which have been overlooked, as well as how well the messages have been conveyed to stakeholders. The findings are summarized in *Figure 14*. The arrangement order is that it starts with cultural factors then customer-perceived factors so that it matches with the order of the analysis above.

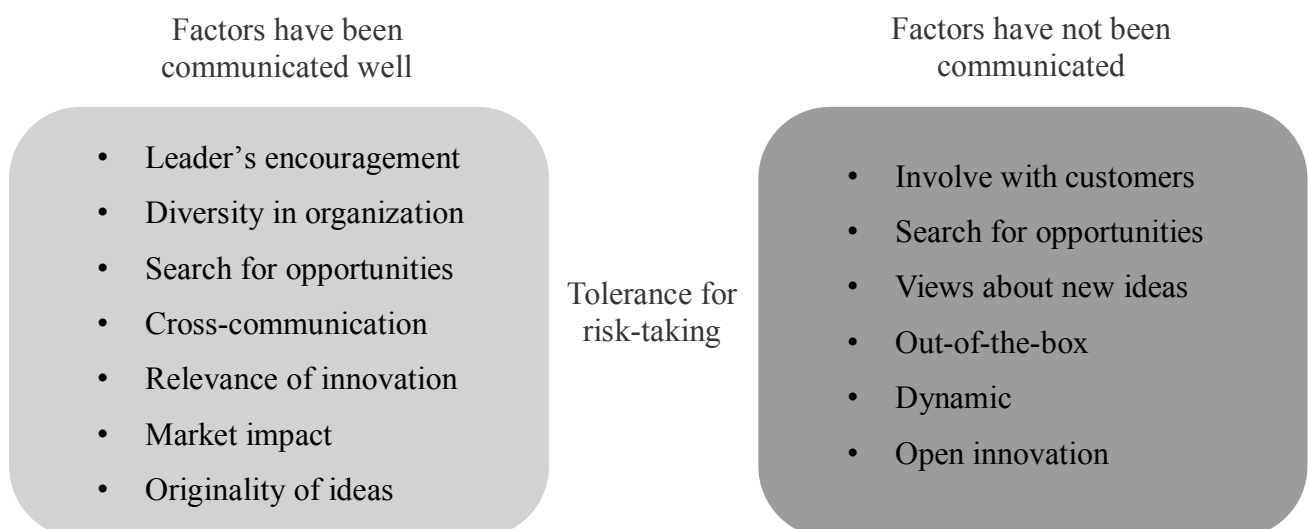


Figure 14. Communication practices at the case company

In this figure, on the left side are factors that have been communicated well to responsive stakeholders. The first four factors are culture-related factors and the next three factors are perceived factors from external stakeholders. On the right side are factors that, according to the interviewees, either have not been communicated or can be further improved. The first three factors are cultural ones and the last three factors are customer-perceived ones. Then, “Tolerance for risk-taking” stands in the middle because the interviewee’s opinions were discrepant about this factor.

The findings suggest that the company has clearly conveyed the message that new ideas are welcomed and encouraged by corporate management. As such, the company’s leaders are willing to develop a more innovative brand image and *“have been very clear about their commitment to innovations”* (Interviewee 9). In addition to that, some other cultural factors are either well-communicated within the company or are positively perceived by the employees. These factors are “Cross-communication”, “Diversity and specialization” and “Search for opportunities”. Then, within the group of customer-perceived factors, respondents expressed that the messages have been improved both in terms of contents and ways to communicate. Therefore, factors belong to the **Innovation** category, which mean “Relevance of innovation”, “Market impact”, “Originality of ideas”, have been internally and externally communicated to corresponding stakeholders.

First, being more risk-taking was something that has been explained, expected and practiced in the company. Yet, internal respondents said they anticipated the company to be more risk-taking, translating as having more opportunities for people to bring up and experiment their ideas. In addition to that, risk-taking discussion is steered by top management, signifying that the leaders should emphasize this more so that there will be actions and implementations from different parts of the company. All in all, within the context of risk-taking, it can be summarized by what an internal respondent said that: *“I believe in some context we’re risk-taking. I’d say we need to challenge ourselves there a bit more.”* (Interviewee 6)

Then, from the category comprising factors that have been limitedly communicated, there are three factors: “Involve with customers”, “Search for opportunities” and “Views about new ideas”. With “Involve with customers” factor, internal respondents obtained a different perspective than external respondents about how customers are willing to collaborate for innovation projects. People inside the company were skeptical when, saying that: *“Many companies establish for customers that, I will work with this company (for innovation*

projects). *Unfortunately, we have not been in that list.*” (Interviewee 4) Contrastingly, customers regarded the Company as their strategic partner, therefore, they are eager to collaborate with the case company. The willingness can be understood by a quote (from Interviewee 10), stating that: *“Working closely with [the Company] is very important. If other companies come and ask, they have to impress me much more to listen.”* This finding does not directly explain why this factor has not been communicated. Yet, it suggests that there is a gap in perceiving how innovative the company is between internal and external stakeholders.

The analysis process also reveals that the concept of innovative capability and how it correlates to brand image has not been discussed, explored and communicated inside the company. In more details, there is a lack of background education and understanding on what is organization innovativeness, and how to translate it to practical actions. It results in inconsistent reactions among employees. An internal respondent’s can illustrate this point which states that: *“We have some other factories that are just the opposite. The culture is completely different. They are not so innovative and not so active.”* (Interviewee 3) His explanation for this difference was that: *“I guess it’s just good luck that they have right people there.”* (Interviewee 3) Rather than that, from the analysis, the explanation could be because there has not been a clear guidance on how people behave and work more innovatively, thus the innovativeness is noticed differently among people.

Also, the factors related to branding such as “Out-of-the-box”, “Dynamic” and “Open innovation” are in the group of factors that need more attention. The case company is portrayed by customers as a company with many potential elements to be more innovative and as a trustworthy partner. For instance, one customer expressed that: *“There is still opportunity for to be more innovative. You need to be more customer-oriented and listen to the customers.”* (Interviewee 11) Another one said then said that: *“I have a good relation with the Company] guys, but I have not heard about that (innovation-related content) from you.”* (Interviewee 14) It can be understood that customers hope their supplier, meaning the case company, to provide more communication content related to innovativeness.

Interestingly, when asked people how they would like to receive the message, or how the message should be conveyed, none of respondents gave a clear answer. Some respondents said that social media should be used more in communication, yet they admitted that they are not interested in social media networks. A customer respondent added that any means of

communication is good as long as he could get useful and relevant information about the Company's new products. Furthermore, alongside with communicative information sending from one side, customers candidly expressed that there should be connection between *"Your development people with our R&D, also with people at the plants. This is when magic happens."* (Interviewee 11) All in all, although the research findings could confirm the role of communication in enhance branding activities and innovativeness' contents, they could not specify the effective communication channel to communicate innovativeness.

5 DISCUSSION

The discussion chapter perpetuates the analysis chapter by tying up the findings and further reflecting on discussed theories. It reflects the theories on two aspects. First, it provides more details on what factors are significant from previous studies, and what are the meaning of those factors from stakeholders' perspective. The gap between external and internal stakeholders' opinions can be seen in some factors, such as "Tolerance for risk-taking". Second, this study explores the role of stakeholder communication in supporting the factors' performance. It echoes Gregory's study (2007) on improving corporate brand by engaging stakeholders.

5.1 Perceptual difference between internal and external stakeholders towards innovativeness' factors

Overall, all respondents agreed that cultural factors are important for an innovative company. Internal stakeholders ranked some factors important and some other factors not so important. On the other hand, external stakeholders ranked the factors close to the average score with less fluctuation and elucidated the factors' meanings with less content. This notion is aligned with existing theories from, for example, Ruvio et al. (2014), Hurley & Hult (1998), and Rogers (1995). The literature prioritizes the role of cultural characteristics in shaping and improving the innovative capability, and the empirical research findings agree with existing studies. Moreover, this study helps to give meanings for the factors based on stakeholders' explanation. For instance, "Tolerance for risk-taking" is translated into giving individuals freedom to experiment and willing to consider innovation projects as "*long-term than short-term*" (Interviewee 9), and as an "*investment than a cost*" (Interviewee 5).

"Tolerance for risk-taking" is among few examples that illustrates the difference between internal respondents and external respondents. Both interview groups agree that "Tolerance for risk-taking" is a significant factor for organization's innovative capability. Therefore, it is logical to say that by being more risk-taking, a company will more likely to be more innovative. Nonetheless, to internal respondents, being more risk-taking means internal changes made from leaders to encourage flexibility, freedom and diversity. On the other hand, external respondents refer more to being customer-oriented by approaching customers for collaborations or reaching out more to end-users as being risk-taking. The ways to do so are to initiate contacts with customers, understand customer's supply chain, and collaborate

with open innovation projects, which is similar to what discussed about “Involve with customers” by both stakeholder groups. On one hand, it proves that there is a strong connection between the factors across different categories (for e.g. Leaders and Individuals categories) and across various aspects (cultural aspect and customer-perceived aspect). On the other hand, it shows the gap between stakeholder’s perspectives, with internal stakeholders relate more to cultural sphere while external stakeholders emphasized the communication and engagement with customers. Potentially, the interview results have confirmed Mantere’s study (2014) about organization’s strategy language, which dictates that the same word or phrase could address different matters when using by different people, or groups of people. In this case, internal and external respondents address disparate content when conversing about the same topic based on their situation.

Then, with the factor “Involve with customers”, there is also a difference in how two stakeholder groups perceive the meaning of this factor. The empirical research has shown that external stakeholders could be more willing to engage and involve with innovation projects than internal stakeholders would consider. This perceptual difference potentially constructs the double-force resistances from both sides, of which internal stakeholders would not be as open when approaching customers for open innovation, and vice-versa external stakeholders would chronically gain the image of their suppliers as less risk-taking and dynamic companies. Finally, “Prior knowledge in the field” was ranked 1.33 by internal respondent but 4 by external respondent. This factor shows the biggest gap between the two groups for the fact that internal respondents perceive it as a resistance to constrain new ideas, whereas customers believe that the knowledge level can reassure the products’ improvement quality, which is also an innovation according to them.

5.1.1 The importance of leader’s role in establishing an innovative culture

One of the main findings in this study is that it presents a strong tie not only between leader’s factor and individuals’ factors but also among factors in the same category. Among cultural factors, both groups of respondents agreed that “Leaders’ encouragement” is the key factor directing other factors, such as “Flexibility and Adaptability”, “Diversity in organization” and “Tolerance for risk-taking”. It is clearly illustrated by the quote from Interviewee 5, stating that: *“Innovation rises inside the company and mostly driven by the management team. Whether they give freedom, encouragement or investment. If the management does not have an innovative mindset, then the company’s innovativeness is very limited.”* This

viewpoint supports Rogers' argument (1995), in which describing leaders' attitude towards changes as an important characteristic of organization innovativeness. In short, leaders create a flexible environment where people are acknowledged and rewarded when proposing new ideas. Additionally, "Leader's encouragement" factor enhances other factors such as "Views about new ideas", "Involve with customers" and "Search for new opportunities".

The results suggest that, among cultural factors, the leader's role is the core factor of organization innovativeness. In addition to that, other factors such as "Market focus", "Status differentiation" and "Formalization" which are discussed by Ruvio et al. (2014), Hurley and Hult (1998) and Rogers (1995) was not mentioned by respondents. Thus, they are not as significant as these factors: "Leader's encouragement", "Flexibility and Adaptability", "Diversity in organization" and "Tolerance for risk-taking". Then, "Search for new opportunities" and "Views about new ideas" factors are part of "Proactiveness" – a dimension of innovativeness identified by Ruvio et al. (2014). At the same time, it relates to "Learning and development" characteristic from Hurley and Hult's work (1998). These factors call out individuals' attitude to continuously learn, develop and contribute to the organization innovation process, because *"Innovativeness is commitment from individuals."* (Interviewee 8) Since it is individuals' commitments, it is necessary to instruct people about the meaning of innovation, and how they can and are able to contribute to maintain and improve the innovative capability. The guidance could support individuals to be more active in searching for new opportunities, thus their views on newness would be refresh and their involvement with customers would be improved. This idea has not been proposed or studied by other authors, at least the ones I have been familiar with for this study, for example Ruvio et al. (2014), Kunz et al. (2011), Hurley and Hult (1998) and Rogers (1995).

All in all, the leader's encouragement is a foundational key to build an innovative corporate brand. The management team should give guidance and support to create flexibility, diversity, high tolerance of risk-taking and the attitude towards innovations as stepping stones to expect for organization's individuals' development to voluntarily search for new opportunities, interact more with customers, and open their views about new ideas. On the organization's individuals side, it has been confirmed that the more people are willing and actually engaging customers into the innovation process, the more innovative. *Figure 15* below illustrates the relationship between leader's encouragement factor and other cultural

factors, signifying its central and important role in establishing core values of innovativeness into the organization.

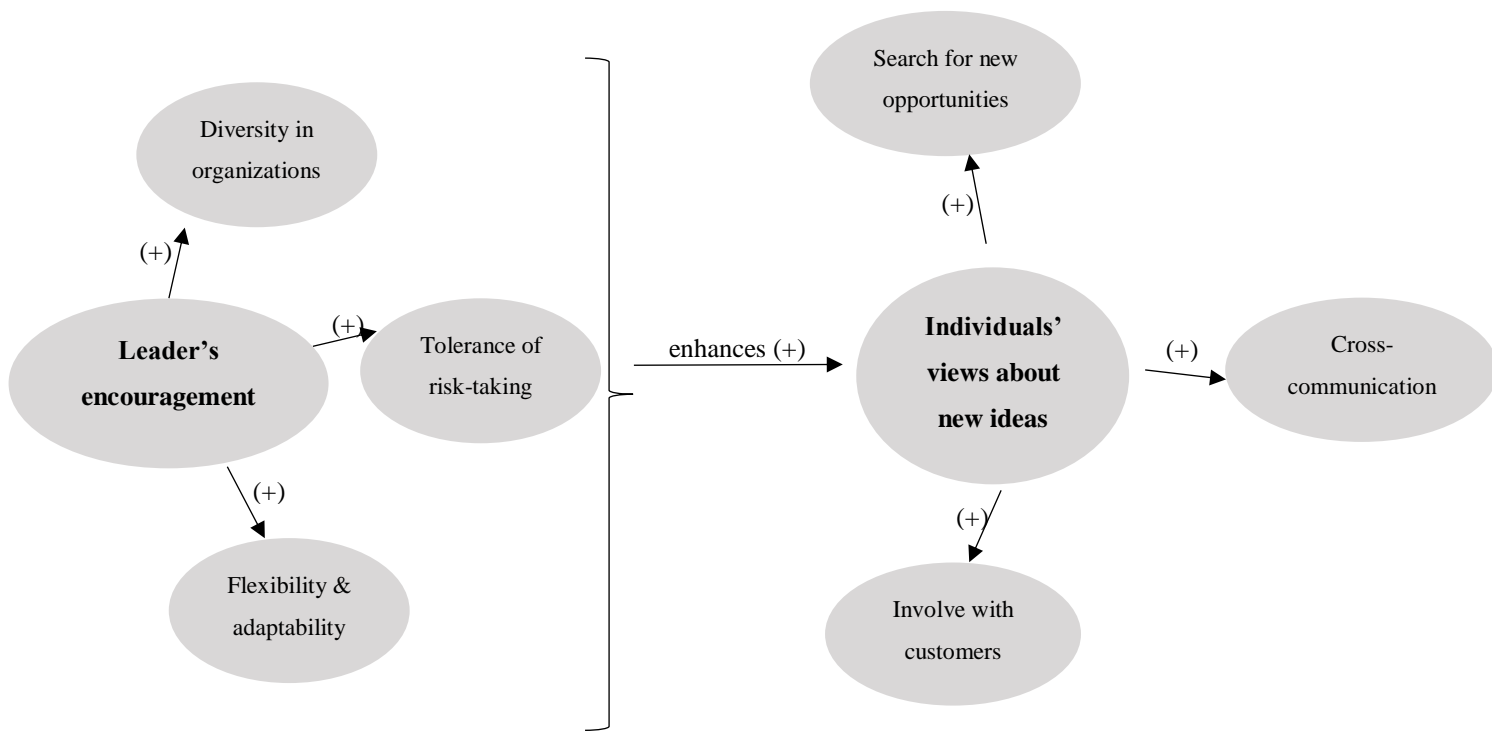


Figure 15. The impact of leader's encouragement factor

5.1.2 Relevance of innovation boosts up customer-perceived innovativeness

For customer-perceived factors, "Relevance of innovation" factor plays a central role in controlling and enhancing other factors, such as "Market impact", "Easy and comfortable to use", "Prior knowledge in the field". The research's outcome has argued that "Easy and comfortable to use", together with "Originality of the ideas" and "Prior knowledge in the field" are the factors that build up the innovation's relevance. Consequently, once the relevance of the innovation is highly perceived by stakeholders, the factors in Branding cluster, such as "Dynamic" and "Out-of-the-box", will be enhanced as well. This finding confirms the notion appears in existing publications, in which state that if the customers perceive the company's innovation a relevant product, they will recognize that company as a more innovative company (Ruvio et al., 2014; Kunz et al., 2011). *Figure 16* illustrates the causal relationship between the customer-perceived factors as below.

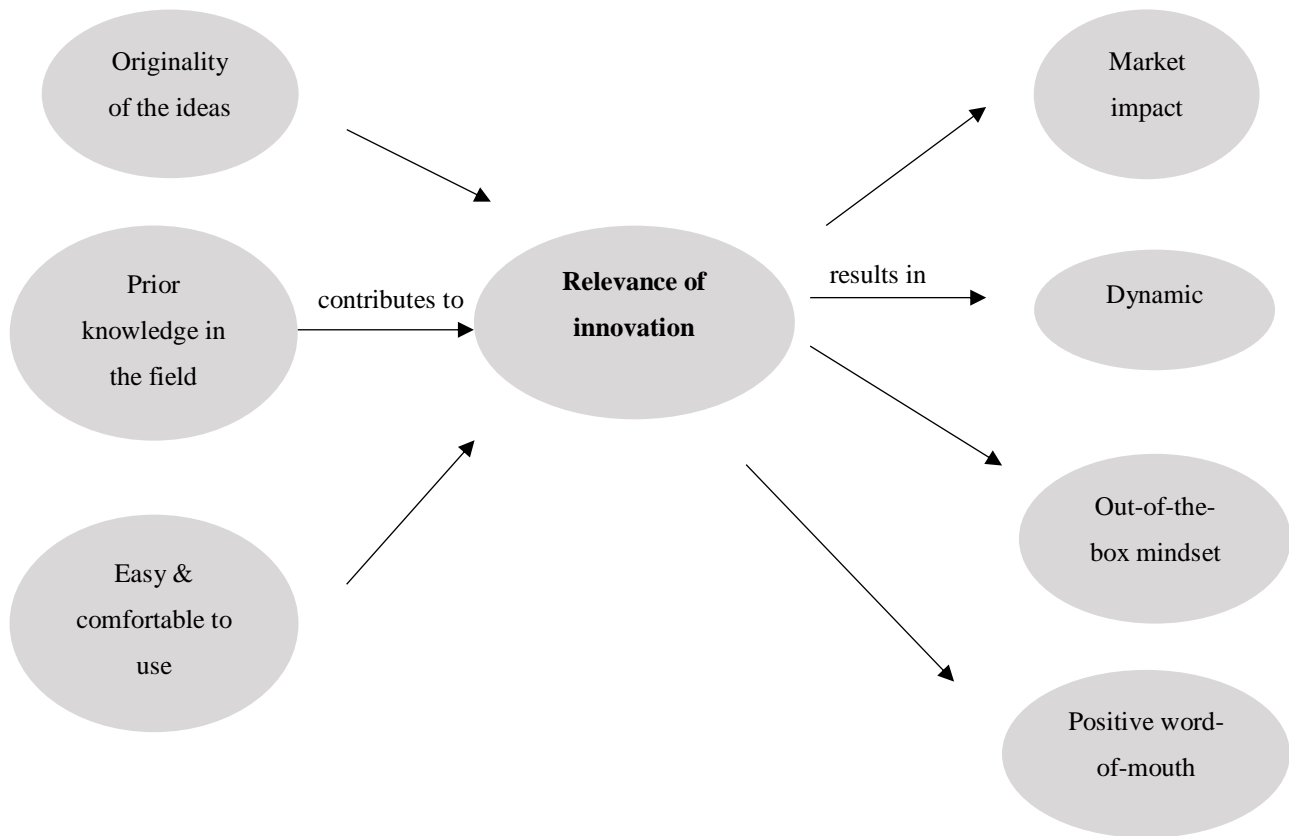


Figure 16. The relationship between customer-perceived factors

In practice, it is important to understand what does it mean as “Relevance of innovation” for the customers. The analysis highlights that it refers to the knowledge of value chain, the behaviors of consumers, as well as the meaning of innovations to customers. Knowledge of customers’ value chain is emphasized as the basis for creating innovative solutions that are relevant to the customers. Value chain’s knowledge is also discussed when respondents talked about “Tolerance for risk-taking” and “Involve with customers”, which further proves the association between these factors. Understanding of customers’ value chain should be consistent from both upstream and downstream. For instance, one recommendation is to *“go to the outlets and work there behind the desk for a week to know how end-consumers use the products”* (Interviewee 2), and another recommendation is to *“speak the same language about the structure, design, materials, etc.”* (Interviewee 7) Even though the perception about innovation varies among customers, it is mutually agreed that the innovation should relate to something new and creative because *“If you spend a lot of money, then you know that was 10 years ago in the market already.”* (Interviewee 2) This result echoes what Kunz et al. (2011) deliberate about perceived innovativeness, in which emphasizes that novelty (or

newness) and creativity are two main characteristics constructing customers' impression about the organization.

Additionally, factors belong to Branding category, such as "Out-of-the-box", "Dynamic", "Positive word-of-mouth", are supported by factors in Innovation category, for instance "Relevance of innovation" and "Prior knowledge in the field", through stakeholder communication. Most respondents agreed that communication strategy should be in the form of dialogues, where there is a two-way symmetrical model of communication between organizations and stakeholders, as Cornelissen (2014) suggests. Nonetheless, no respondents were sure what kind of communication channels they think would be useful for innovation communication.

5.1.3 The role of stakeholder communication in building an innovative corporate brand

Like what Nedergaard and Gyrð-Jones (2013), as well as Kaplan (2009) demonstrate, the result proves that there is an important connection between organization innovativeness and corporate branding. The two concepts are positively affect each other. A strong corporate brand improves the company's innovative capability, and vice versa, when the company has more innovative capability factors, the innovative brand image is reinforced. Interestingly, most respondents expressed that they do not know what is a good communication strategy when it comes to innovation. In the case company's situation, there are two main issues regarding communication. First, the gap between internal and external stakeholders has not been addressed. While internal stakeholders have the tendency to think that the Company is not in customers' mind when they work with innovative projects, external stakeholders obtain a much more positive point of view and are willing to work with the case company. Then second, internally, there is a lack of mutual understanding about what is the company's innovativeness factors, and how to implement the understanding into actions internally and externally to build up the innovative corporate brand.

Gregory's stakeholder communication spiral model (2007) in Chapter 2 emphasizes that, after the core values are identified, internal stakeholders acknowledge and communicate about them to external parties, so that the brand image is recognized by customers. External stakeholders' participation can be seen when they accept and engage with the exposed brand image, which is developed based on the core values. The spiral revolves continuously around

the axis describes a close attachment between internal and external communication, as well as the importance of core values. Reflecting on the spiral interaction model and on the empirical research finding, this study suggests that the Case in detail, and other market leaders in general, has not obtained core values of innovativeness that match with the company's culture. It explains the vagueness of innovation communication produced by the case company according to external stakeholders, despite the fact that internal stakeholders state that communication is essential and should be done coherently even before the launch of new products.

Considering how Gregory's spiral interaction model could be more specifically helpful for the process of building an innovative corporate brand, a modified picture of it has been generated and is illustrated in *Figure 17*. Communication stands as the backbone of a continuous and evolving journey, touching all the stages of the innovative brand building process. In the beginning, it starts with the first loop (the dark grey arrows) to define and acknowledge innovativeness' asset of the company. First, it is an internal effort to define relevant factors of innovativeness that fit the company culture, bring them together and create foundational elements of the innovative corporate brand. Then, the next step is to announce and communicate to customers so as to make them acknowledge and provide feedback of the innovative brand's element. The second loop (the grey arrows) continues to rise from customer reactions towards the innovative brand with internal stakeholders develop the mutual understanding about the factors' values and how they strengthen the innovative brand image. It is also in this stage that organizations should involve their customers more in innovation projects since they are now familiar with the branding shift towards innovation. The more external stakeholders can engage to the process, the better it is for the brand, and it will evolve to the next cycles, as illustrated in *Figure 17*.

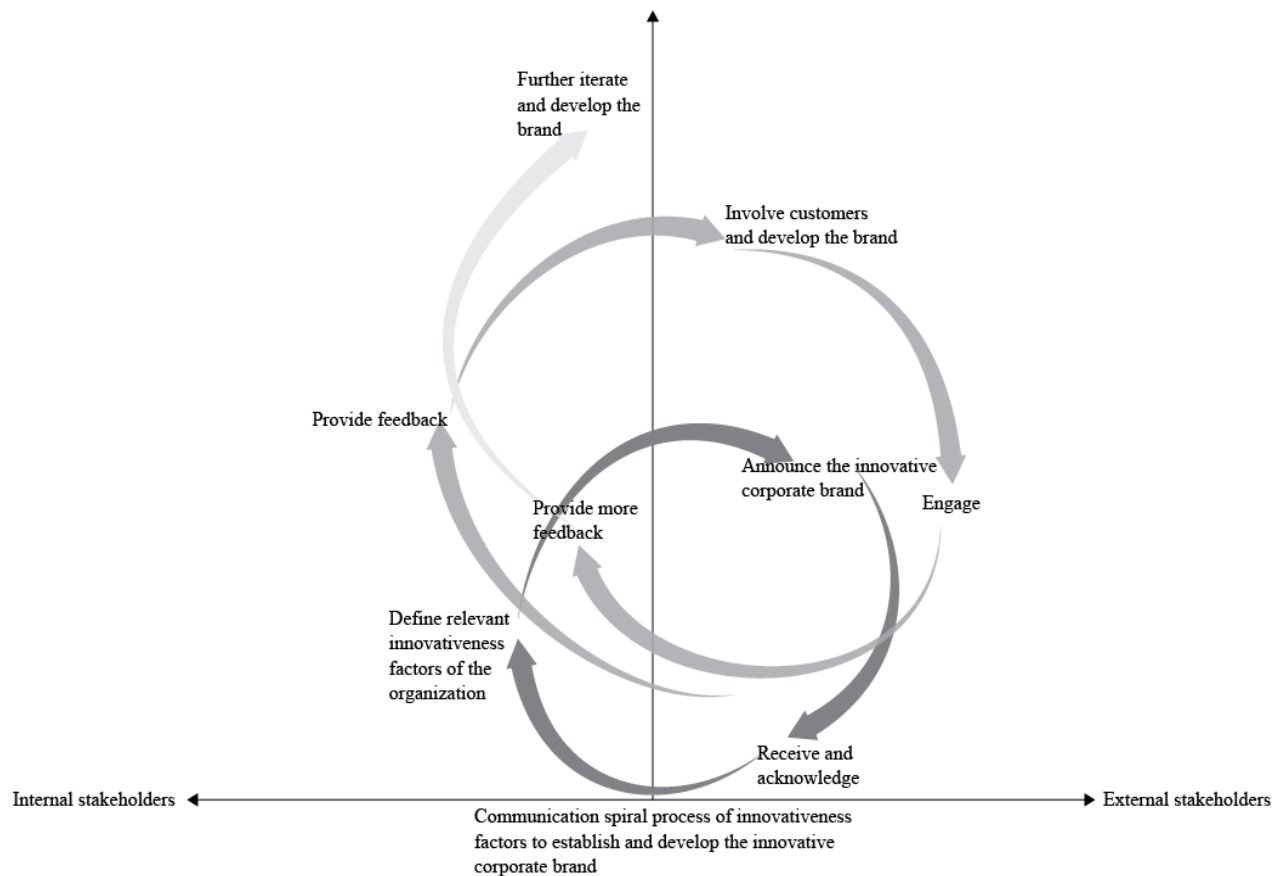


Figure 17. Communication process in building an innovative corporate brand, applying the spiral interaction model (Gregory, 2014)

When further asked with a more concrete manner about how do they want to be communicated about innovation news, and factors of innovativeness, the interviewees were not constructively clear on their preferences. Internal respondents sometimes conflicted among themselves. They admitted that: *“We are not good in communicating about dynamic”* and *“at least they (the competitor) try to create the atmosphere that hey, these people are doing something.”* (Interviewee 3) Yet, at the same time, they stated that: *“But if you think about any commercial mega-success coming from the company (the same competitor), it’s actually very limited.”* (Interviewee 5), and that: *“Our way of communication is different. We say something when we are sure that it works.”* (Interviewee 3) Basically, it tells that internal respondents do not fully support the way the competitors communicate, but they also frustrate with their company’s communication strategy to some extent.

It reflects, to a certain extent, the argument that organization strategy is a language game (Mantere, 2014), in which the same word (for e.g. innovation) could depict different meanings when using by different people, even within the same organization. One

respondent advocates a resolution for that by stating that there needs to be a “*roadmap of education*”, of which “*Everybody uses the same materials and the same language. Like, what is innovation and innovativeness.*” (Interviewee 1) All in all, it is clear now that stakeholder communication is a supporter to attach corporate brand and innovativeness together, not to mention it helps to bridge the gap between different stakeholder groups regarding organization’s specific innovative capabilities. However, communication is a process itself and needs to have materials and content to start with. In addition to that, it is critical to obtain a shared understanding about the concept and the factors of innovativeness within the company to avoid resistance to pursue innovative corporate brand.

The final chapter will discuss the summary of this study, as well as suggest the “Triangle model” that elucidates and illustrates what could “*roadmap of education*” (Interviewee 1) be and how it combines internal and external stakeholders’ perspectives.

6 CONCLUSION

The conclusion chapter summarizes notable remarks from the empirical research and presents some limitations and suggestions for further researches. All in all, organization innovativeness is established by organization's cultural factors and is further enhanced by customer-perceived factors. Cultural factors have been studied much more thoroughly than customer-perceived factors, as indicated by Kunz et al. (2011). This study confirms that cultural factors are more influential than customer-perceived factors. When people in the organization attain a shared understanding, they naturally communicate with each other and possibly, new ideas will be created. Therefore, internal efforts to shape and develop an innovative organization culture result into external's positive perception. Specifically, this study suggests that there needs to be a more coherent understanding and acknowledgement among employees about innovative values of the company.

The results of this study speak out not only for the case company but also for other market leaders in traditional industries that are facing opportunities and challenges when it comes to renewing the company's brand image to be more innovative. It has been confirmed in literature that organization innovativeness factors positively contribute to corporate branding. The study determines which factors from organization's culture and from customers' perception contribute more to the brand's image. It also reveals that communication strategy should be aligned with stakeholders' preferences when it comes to managing organization innovativeness.

6.1 Research summary

First, organizations should build and improve innovative capability from the inside out because cultural factors are fundamental. However, culture is viewed as intangible asset of the company and is often not discussed outwardly. Even when it is not dismissed, it is still not a common practice to comprehend the dynamics of the company's culture, how it operates and how people fit together with the system. Therefore, it is important to focus on the company's environment, operating structure, as well as workforce, when adding or enhancing a new aspect to the corporate brand.

Among cultural factors, leader's encouragement is the most significant factor ranked by all interviewees. Leaders play a central role in initiating and motivating the culture that

appreciate innovations and innovative factors. At the same time, the role of leaders and the attitude of individuals intertwine with each other. Leaders are responsible for the organization's strategic vision, by that making decisions on what actions should be taken, and what kind of communication practices could enhance an innovative culture. On the other hand, individuals in the organization respond to leaders' encouragement by actively search for new opportunities, reach out and involve customers to research and new product development process, as well as voluntarily engage and communicate with each other about new ideas. Then, from the customers point of view, "Relevance of innovation" can be seen as the factor that connects other significant factors. "Relevance of the innovation" translates into the knowledge of customers' value chain as well as being customer-orientation.

Finally, the triangle model (*Figure 18*) illustrates how communication practices help to make sense of the factors' meaning. The triangle model recommends to build a culture that encourages innovation and innovative thinking from both ends – from leaders and from employees. It is because it has been affirmed that cultural factors establish a strong base for companies. Once the organization embraces innovativeness factors as part of the culture, individuals will be more willing to search for new opportunities to serve the needs and wants of customers. Consequently, richer communicative content will be produced, which positively affect the image external stakeholders obtain for the company. As one respondent said: *"It's the culture that changes people vision and action."* (Interviewee 9), the organization culture should be the anchor for the improvement of innovative thinking inside the organization, consequently developing positive customer perceived image from the outside.

6.2 Practical implications - The triangle model to improve organizational innovativeness

The three-layer triangle model (illustrated in the *Figure 18*) was created based on the backbone of previous researches that have been excessively discussed in this study, as well as based on the interview results. The triangle model is partly based on Henry and Mayle's suggestions (2002) on managing innovation and change and partly on the content analysis. The suggestions are more in accordance with the Company's situation, however, they can be translated into different types of actions depending on each organization's strategy and vision.

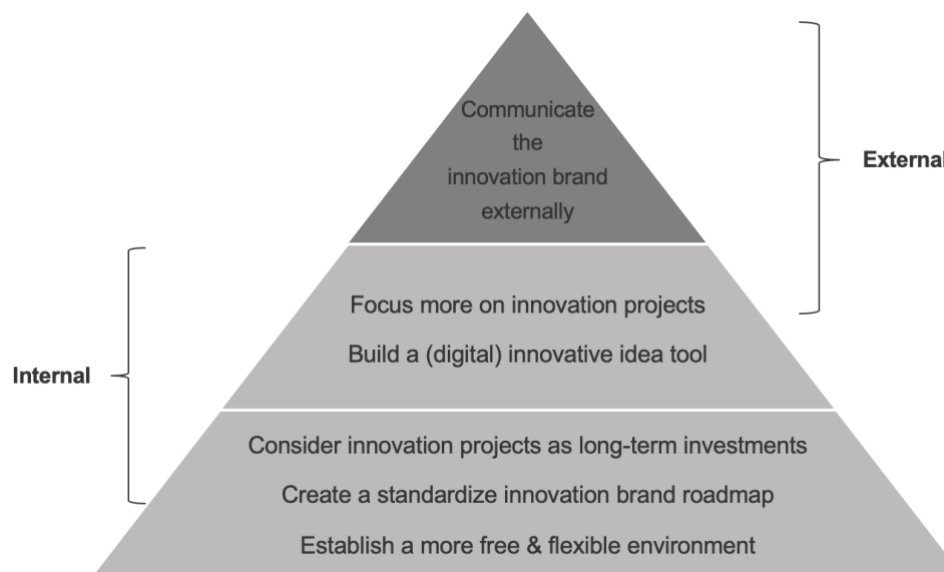


Figure 18. The suggestive triangle model to improve organization innovativeness

The bottom of the triangle are internal focus topics. More specifically, first it is to establish a free and flexible environment where people embrace that they are encouraged and rewarded to contribute various insights to innovative works. This point is aligned with Henry and Mayle's suggestion (2002), which states that innovation is not only about product offerings but also about people management. Second, the model suggests to create a standardize guideline about the company's strategy and vision to improve the capability. Once people have the guidelines and materials, they have the sources to refer to, speak the same language, and discuss similar content to each other. Third, along with having a flexible environment and providing practical materials, it is essential to acknowledge the vision that innovation projects are long-term investments rather than cost. This vision is can be attained not only by introducing new products to the market but also by communicating outwardly innovativeness' factors that the company has and will obtain in future. The suggestions should to be steered by the leaders, further emphasizes the critical role of leaders in encouraging and maintaining the innovative culture.

Coming to the second layer of the model, it recommends to focus more on innovation projects by developing a tool, or a platform, where everyone can input their ideas. The research findings show that it is important to diversify people that work with innovation projects and it can be understood by this quote: *"You have a pool of money and a group of people to rear new ideas. The advantage is that, they can concentrate on the idea development and don't involve so much on profit and loss, or operations."* (Interviewee 2)

At the same time, it is vital to centralize the ideas because: *“You cannot have ideas flying around. There needs to be a process to filter the ideas, separating good ideas from [...] not practical ideas.”* (Interviewee 2) As such, the empirical research proposes that companies should have a central point where people input their ideas and, at the same time, get peer review from others about such ideas to sustain the diversity input of innovative ideas. The central point could be a digital platform, a forum, or an internet bulletin that is accessible to everyone in the company.

The top of the triangle shows the effort to communicate innovativeness’ factors to external stakeholders. Logically, when the core values of an innovative brand are created (bottom layer) and internal stakeholders have acknowledged and contributed (middle layer), there will be more innovation-related content to communicate externally to customers, which in turn makes them become more engaged, as Gregory suggests (2007). Communication outwardly can also be translated into actions as gaining direct contacts and expanding networks among people who work with product development in different companies. The consequence of external communication to gain customer’s perceived image for being dynamic and out-of-the-box.

In summary, the triangle model recommends actions that can enhance the performance of significant innovativeness factors, eventually improve the brand recognition and reputation. The model, however, does not strictly indicate that internal and external communication are done separately, and in the order from the bottom to the top. Instead, the model adjoins actions that take place inside and outside the organization, one positively influences on the other and vice-versa, similar to Gregory’s spiral of interaction (2007), which exhibits the interconnection and attachment between internal and external stakeholder communication. Internal efforts produce materials for external communication, at the same time, external activities enhance the perceived innovative capability from employees’ point of view. Generally speaking, the implication of the model to improve organization innovativeness can be applied not only to the case company but also to other organizations with adjustments according to the industry and specific situations.

6.3 Limitations of the study

Despite a wide range of potential further researches as well as business practical implications, this study contains some limitations. First, there has not been many researches

in this field, not to mention there has almost no studies exploring the relationship between cultural factors and customer-perceived factors, as well as the gap between internal and external stakeholders about innovativeness' factors. Then, the empirical research could not reach the goal to have equal number interviews between internal and external respondents. Due to difficulty in reaching out to customers, there were only 6 interviews with customers compared to 9 interviews with the employees.

Related to this limitation, the interviewee's profiles were not so divergent. Internal respondents were mainly people from the Sales Department, while external respondents were merchants and converters. There was no representative from brand-owners as I could not reach out and conduct interviews with them. Hence, there could be a larger scale research to understand the opinions of internal stakeholders or external stakeholders regarding the importance of organization innovativeness, and how communication can complement the innovativeness discourse among and between stakeholder groups.

6.4 Suggestions for further research

In accordance with this limitation, it recommends that there should be more in-depth researches investigating purely on internal stakeholders or external stakeholders at various positions and working levels to understand their perception about innovativeness. Specifically, the discourse about innovation, innovativeness, as well the correlation of cultural factors and customer-perceived factors, from the perspectives of employees could be interesting to study more. As suggested by the empirical research, the way internal stakeholders perceive the company's innovativeness asset is not unanimous, opening the potential to conduct more discourse researches to explore how internal stakeholders communicate about innovation and innovativeness factors. The results could suggest more specific contribution on how to strategically communicate the process of building and maintaining the organization's innovative brand. Further researches could be done by focus groups and only takes the stance of internal or external stakeholders' perspective.

Furthermore, a follow-up study could be conducted to further explain the connection between the significant factors of innovativeness. It has been stated that the factors interrelate to each other, such as "Relevance of innovation" is enhanced by "Prior knowledge in the field" factor and eventually supports the "Market impact" and "Dynamic" factors. By conducting further researches on the factors' relationships, it helps to cluster the factors and

how they influence each other, as well as further makes sense of what the factors mean in various contexts, potentially the result could suggest on rename some of the factors to be more context-specific. For instance, “Tolerance for risk-taking” has been referred to different meanings, few of which are the workforce’s diversity and flexible environment, and the willingness to collaborate with external stakeholder. On a higher level, it could add an additional angle to the academic discussion on what is innovation and what are the innovative characteristics of organizations.

Finally, even though this research has not taken design thinking concept as the focus, the urge to understand customers and end-consumers are obvious. In order to do so, one suggestion could be to incorporate user-centered methodologies to sought more participatory and user-inclusive engagement. User-centered design approach solves the issue by engaging users to pinpoint their needs and then propose corresponding solutions (IDEO, 2012), which potentially helpful for B2B companies who have a long distance with the consumers, or end-users. User-centered design is closely connected to innovations since it highlights the idea of co-creation (IDEO, 2012). It certainly can expose more knowledge about end-users, especially about what they need and want specifically for certain companies for a certain issue. So, further researches can consider to apply user-centered design methods to explore what end-users need, want, and behave from seeing what they do and say, rather than making assumptions within the company. All in all, there are various topics that relate to organization innovativeness that worth for further researches, which might help the potentiality of organization innovativeness to receive more attention from both academic and business environment.

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APPENDIX 1 Interview Questions

1. In your opinion, what is a company that you consider an innovative company?
2. Why do you think the company (you choose) is innovative?
3. In your opinion, what is the company in packaging industry that you consider an innovative company?
4. What are three main reasons for your choice?
 - a. Compared to the company you chose in Question 1, what are the similarities and differences?
5. Do you think that company's culture affect the ability to be innovative of a company?
 - a. If yes, can you elaborate: how do you think company's culture affects the innovative ability?
 - b. If no, why would you think so?
6. What are the important factors/elements of culture contributing to the company's innovativeness from your point of view?
7. Among the factors you mention, how would you give them the order from 1 to 5 and why do you rank the factors like that? (With 1 is the least important and 5 is the most important).
8. How do you want to be communicated about cultural factors of organization innovativeness?
 - a. What is the role of communication?
 - b. What are the channels do you prefer to be communicated?
9. Beside cultural characteristics, from the customer's perspective, what are the factors/elements contributing to the company's innovativeness from your point of view?
10. Among the characteristics you mention, how would you give them the order from 1 to 5 and why do you rank the factors like that? (With 1 is the least important and 5 is the most important).
11. How do you want to be communicated about customer-perceived factors of organization innovativeness?
 - a. What is the role of communication?
 - b. What are the channels do you prefer to be communicated?

APPENDIX 2 Example of how respondents rank organization innovativeness factors in the interview

